

AN OVERVIEW OF THE CANADIAN PSYCHOLOGICAL ASSOCIATION FINANCES AND OPERATIONS: A REPORT TO THE BOARD OF DIRECTORS

INTRODUCTION.

The following report was completed at the request of the Board of Directors of the Canadian Psychological Association. It was completed following the approval of a brief precis of a process which was intended to do a “broad brush” financial review of the Canadian Psychological Association. Following the initiation of the review, it was decided by the review team along with Dr. Gary Latham, President of CPA, to add a commentary on the current operations of the association. A copy of the precis of the process to be used, which was approved by the CPA Board of Directors is attached as Appendix 1.

The review team was made up of the following individuals:

1. Dr. Elinor Ames, a past president of the CPA who currently is Professor Emerita at Simon Fraser University;
2. Dr. Steven Cronshaw, a member of the Association who currently is Associate Professor of Psychology at the University of Guelph. Dr. Cronshaw is a psychologist who specializes in organizational behavior and who has a background in accountancy;
3. Dr. Terrence P. Hogan, a past president and past honorary president of the CPA. Dr. Hogan previously held positions of Dean of Graduate Studies; Associate Vice-President (Academic), and Vice-President (Research and External Programs) at the University of Manitoba and currently is Associate Dean and Professor in the Faculty of Management at the University of Manitoba.

METHODOLOGY.

1. The methodology of the review utilized by the review team was as follows: The review team, following two lengthy conference calls, delineated the information they wanted from the CPA central office. This information included the following:
 - a) the budget of the CPA and other financial reports as would make the budget understandable for the past five years (1995-1999 inclusive);
 - b) the strategic plans adopted by the respective boards of directors during this five year period;
 - c) minutes of the boards of directors meetings for the five year period;
 - d) minutes of the executive committee during the five-year period;

- e) membership surveys performed by the Association during this five year period;
- f) membership statistics, convention attendance statistics and journal subscriber statistics reports done during this five year period;
- g) an organizational chart of the CPA head office along with job summaries and descriptions, data on CPA head office staff turnover, and any relevant salary reviews done for members of a central office staff during the five year period being examined.

The information noted above was provided to members of the review team by the CPA head office in a well-organized series of documents that in toto amounted to several hundred pages of budgets, drafts and materials.

2. On receipt of the materials, members of the review team individually went through all of the materials and, subsequently, had a conference call in which they established questions needing clarification, and subsequent questions to be answered by central office staff on a site visit to the CPA head office.
3. In mid December of 1999, the review team had a two-day site visit to the CPA head office. During the site visit, two lengthy interviews were held with Dr. John Service, Executive Director of the Association. In addition, the team interviewed the following members of the head office staff individually:
 - i. Patricia Black, Executive Secretary;
 - ii. Francine Cabana, Receptionist/Secretary and Journal Subscriptions;
 - iii. Mary E. Franklin, Finance/Advertising Coordinator;
 - iv. Kathy Lachapelle-Petrin, Convention Coordinator;
 - v. Ivan Parisien, Communications and Membership Services Coordinator;
 - vi. Marie-Christine Pearson, Executive Assistant;
 - vii. Anne Marie Plante, Accreditation Assistant and Clerk, Document Orders; and,
 - viii. Sylvia Spallin, Membership Clerk.

We would like to note that all members of the head office staff were extremely cooperative in answering questions and in explaining the nature of their jobs and responsibilities. When the review team requested additional information, it was provided promptly and in an organized fashion.

During the last two hours of the site visit, the review team met privately and had initial discussions of those items they wished to include in the report to the Board of Directors. The report itself was completed by the review team using electronic media as their primary method of communication.

ORGANIZATION OF THE REPORT.

Following these introductory comments on the information and methods used by the review team, the rest of the report is organized in three major sections. The first section will deal with the strategic issues facing the Association along with some comments on the strategic planning process. The second section will focus on various management operational issues facing the Association and the third section will focus specifically on the finances of the Association.

I. STRATEGIC ISSUES.

Context

Before discussing specific strategic issues facing the Association and the strategic planning process, a few words describing the nature of the Association as a context for this section and the rest of the report would be in order. The CPA is a not-for-profit, membership organization which is governed by an elected, volunteer board of directors, managed by an Executive Director and supported by a relatively small staff located in Ottawa, Ontario. The membership of the organization in 1999 numbered 4297 individuals, an increase of 251 members over 1998. Over 50% of the current membership are currently over the age of 50 and the membership roster includes a significant number of individuals who do not pay the full membership fee. These include lifetime members and fellows and students as the two largest groups not paying full fees. In addition to membership dues, the Association receives income from granting agencies and subscriptions to support its journals, registration fees from its annual conference and workshops, and sales of its other publications. With one exception, however, all of the income producing activities of the Association add only marginally to the discretionary funds that can be used to support the current ongoing activities of the Association or plan new initiatives. The recent exception was the Aids Impact Conference held during 1999 which did provide a significant one-time addition to the funds available to the Association for services and programs. Essentially, therefore, the CPA is almost totally dependent on membership for its ongoing operations.

The second contextual issue is the nature of CPA. CPA unlike most other learned societies or professional associations is a hybrid of the two. It serves its scientific membership through programs and activities that are similar to other learned societies and, at the same time attempts to serve its professional members with activities that support the practice of psychology in its various modalities. While our discussions with the leadership of the CPA indicates that the Executive Director, the President, and very likely, members of the board of directors, understand the hybrid nature of the association, it is also likely that most of the membership do not appreciate the two different constituencies that make up the membership of the Association. As a result, for example, the psychological scientific community may well not realize that the Association has to lobby not only for increased grant funds from the three federal granting agencies but also is required to lobby for the support of applied psychologists

in Canada's health-care and educational systems. Similarly, an annual meeting and convention targeted only at the scientific community might well be of modest interest to the professional psychological community while a conference focussed on practitioner issues such as on the learning of new clinical techniques would be of similar modest interest to Canada's scientific psychological community. At the same time, it is our view that psychologists and psychology benefit from being a unified discipline in a relatively small country such as Canada where both human and financial resources are limited and may well not be adequate to support a large number of professional and scientific organizations.

A final part of the context is the services and benefits provided by the CPA to its members. The Association currently provides three journals, a newspaper, a relatively large convention, workshops, an accreditation program, lobbying activities for both scientific and professional communities within psychology, a home for special interest groups, an affiliation with the international community, in particular, the International Union of Psychological Sciences, ethical standards for both research and practice, and a wide variety of educational materials for individuals interested in psychology as a discipline or interested in psychology as a career path. While we believe it is obvious, we none the less want to note that all of these activities require the expenditure of monies, in particular, monies to support the people who provide these services and benefits to the membership.

NEED FOR STRATEGIC PLANNING

The Association has clearly realized the necessity of planning strategically for the future. Strategic planning is a process that regularly examines both the mission and vision of an organization along with the attendant strengths and weaknesses of the organization in its current environment along with the opportunities and threats that are present in that environment that need to be addressed, whether to avoid them or to take advantage of them. The typical result of a strategic planning process is to regularly set forward a relatively small number of goals the organization wants to achieve on a priority basis over the coming relatively brief period of time, e.g., two years. As strategic planning is a process, it is iterative and needs to be revisited on a regular, for example, biannual basis.

The strategic planning process used by the Association has certainly benefited the work of the head office staff, the Executive Director, and the board of directors. At the same time, the list of strategic goals established by the planning process is lengthy and in our view does not reflect a strong prioritization of the goals that need to be achieved if the Association is to go forward in the future. A tighter, more focussed planning process that was integrated into the regular timetable of board of directors' activities would likely benefit the Association.

RELATIONSHIP BETWEEN BOARD AND EXECUTIVE DIRECTOR

A key element in managing an organization such as the CPA involves the linkage between the board of directors, the President, and the Executive Director. While the board of directors' members are elected for a three year term, the decisions of the board often will affect actions to be taken by the management of the Association well after the time when initiators of an action have left the board of directors as members. An example would be the selection of a location for the annual convention. Optimally, the board of directors should be selecting a location for a convention four to five years in advance of the particular convention taking place. If the board decides in the summer of 2000 that the convention in 2005 will take place in, for example, Calgary, this decision should be carried through by the staff of head office and the convention committee unless there is an extremely strong reason for changing that decision as time goes on. The time horizon for the board of directors should be well into the future on most issues; if not, the board will find itself acting in a responsive mode and will likely not be focussing on the long term interests of the Association.

In looking at the role of the board of directors, directors should understand that theirs is a governance role not a managerial role. While individual members of the board may have particular interests or skills, their focus should be on how to utilize these skills or interests in affecting the mid to long term interests of the Association rather than acting as members of the CPA staff. In the same vein, pet projects of board members should go through the same vetting process as other proposals to the board of directors because they draw on the limited financial and human resources in the organization.

Finally, the board should generally compare proposed new programs or activities to the need for improving the core functions and services provided by the Association to members. As well, unless new resources are available to the Association that are clearly identified, new programs or activities should be accompanied by implementation plans that indicate which current services and functions should lose resources. As you will see later in this report, it is clear to the review team that the current staff of the Association are working efficiently and effectively with no particular evidence of slack anywhere in the organization. Hence, new activities require either new resources or a transfer of resources from current activities if they are to be effectively implemented.

SPECIFIC STRATEGIC ISSUES

The review team is clear that it is the board's responsibility to set new strategic directions for the Association. We would note, however, that membership, membership services, advocacy, and communications with members all appear vital for the Association's health in the future. We would urge the board of directors and the leadership of the Association to focus on these key strategic issues, amongst others, in the near future.

II. MANAGEMENT ISSUES

The following sections will focus on various management issues currently facing the CPA. Before discussing specific issues that we examined, we would like to note that the key management person in the Association is the Executive Director. The Executive Director is the primary person responsible for the effective management of the Association and he is the primary conduit of information and communication between the head office staff, members' comments and views as expressed to those staff and the board of directors. At the present time, Dr. John C. Service is the Executive Director of the Association and he enjoys the complete support of the current head office staff. Dr. Service has been Executive Director since 1993 and has been re-appointed by the board of directors for a second term in that position. This would indicate that the board also supports his work in this position. At the present time his workload is broadly defined as being 50% administration and 50% representation. In the Review Committee's view, Dr. Service currently spends his time roughly in accord with that split in responsibilities, although representational activities have been significantly increasing over time. While the purpose of this review is not to review Dr. Service's performance, we none the less would like to indicate that in our view he appears to be performing well in the position of Executive Director.

The future will bring a number of additional responsibilities into the Executive Director's portfolio of duties. These include, amongst others, an increasing responsibility to provide entrepreneurial leadership for the Association, the need to implement a service oriented culture in the Association in regard to members, the implementation of a continuous quality improvement process in regard to serving both members and sub-groups of members within the Association, and a need for the Executive Director not only to control the expenditure of scarce financial and human resources, but to provide leadership to the Association in increasing those resources. In our view, Dr. Service is aware of the changing environment both within the Association and externally and is keen to take on these new tasks.

For the Association to be successful in the future, it needs not only skilled management and leadership from the Executive Director but a true partnership between the Executive Director and his staff with members of the board of directors. In particular, the person serving in the Executive Director's position needs both the strong support of and general guidance from the board on major issues facing the Association if the CPA is to remain a healthy organization in the future.

MEMBER SERVICES

A key element in any membership organization is the effective and efficient provision of member services. Communications need to be timely, consistent and clear. Members need to be continually informed about the services available to them through periodic communications either from the Executive Director, the president or the board of directors. Of particular importance in these regards in CPA is the continual

development of *Psynopsis* and the Association's web site. Currently the head office staff are spending time on these two media of communications and the review team would agree with these efforts. Where member expectations are excessive and cannot be met, the member or members involved should receive a clear explanation as to why the request cannot be met and, where possible, alternative solutions to their problems be offered.

A sub-set of member expectations of services has to do with the services provided to sections. We would first note that all sections are not alike within the CPA. They vary in size, organizational structure, interests, financial resources and commitments, and in their goals. It appears from the information we have received that not all sections are pleased with the services they receive from the head office. As examples, sections often are not provided with lists of section members when they are needed; similarly monies paid by section members as section dues are not made available to the sections in a timely manner (at least from the perspective of the sections), interactions with the convention committee and convention organizers are not always clear and frustrations have been expressed by some sections with regard to the interaction of their program with the general convention program as set by the convention committee. In regard to sections, we would recommend the following:

1. That head office, following consultation with the sections, set two dates on which they will provide a list of section members to section officers. This list will include all information head office has on how to reach those members, e.g. addresses, phone numbers, fax numbers, e-mail addresses, etc.;
2. That the head office provide similar dates on which they will provide information on the funds available to sections for their information (both sets of dates would be negotiated between sections as a whole, not individually, and head office); and
3. That the chair of the convention committee along with others on that committee establish a clear and open working relationship with the chairs of sections on the setting of the convention program. This would include appropriate deadline dates for the receipt of convention program schedules, lists of invited speakers, program time requested or desired, etc.

The items listed above, in our opinion, should take place under the general aegis of the head office and be paid for by the head office. Other requests, for example, the provision of mailing labels by head office, surveys of section members on relevant issues, would be cost shared between head office and funds available to the sections.

The second clear area of member services is more broadly defined as representation. Advocacy for psychology as a science and a profession is a clear benefit to members and needs to be done in a careful and effective manner. In our view, lobbying and advocacy are best seen as an ongoing process of both establishing a relationship with key groups and individuals who can benefit psychologists (such as both the bureaucracy in and the members of federal granting councils, key parliamentary committees, individual members of parliament, cabinet ministers, their deputy ministers and assistant deputy ministers, etc.). Effective advocacy, therefore, requires a

consistent presence with the targeted groups and, changes in federal policy or budgets is a long-term process and rarely is a short-term, single-issue effort affecting change in policy successful. We would recommend that the Executive Director work with the board of directors to organize an effective advocacy effort and that the strategy and efforts being employed be communicated clearly to the members of the Association.

HEAD OFFICE

After examining the documentation provided and interviewing almost all of the head office staff, the review committee was impressed by their dedication, hard work and overall effectiveness. The staff appear to know their jobs and are committed to becoming better at what they do for the Association. Turnover amongst staff has been relatively low, notwithstanding the fact that their remuneration as provided by CPA is somewhat below the average for the Ottawa labor market. The thing that most impressed the review team, however, was that the staff are essentially at the limit of their own productivity. There appears to be almost no slack in the workdays or weeks of the head office staff. Hence, any substantial increase in workload stemming from any new activity, even one of strategic importance to the Association would either require new resources or a targeted cut in some current activity. Therefore, we recommend that whenever a substantial new activity is considered by the board of directors, an element in that consideration be a clear identification of the human and financial resources required for the activity and an identification of the area from which resources would be provided.

MORALE

While the staff is hard working and are being pushed close to their limits, it is our view that the morale of the staff is high. The Executive Director is both liked and respected by the staff. His services management style was described as reflecting the dignity of the staff and his treatment of the staff in a humane “even compassionate” manner is certainly appreciated by them.

TECHNICAL HUMAN RESOURCES ASPECTS

As noted above, the remuneration provided to head office staff is largely competitive although at a level a bit below average for the Ottawa area. The head office appears to have a reasonable performance appraisal system in place and regularly reviews and provides feedback to staff. Benefits provided to staff are largely competitive with other similar organizations in the capital region. It is clear that the Executive Director is sensitive to these issues and that he has had the support of the board in dealing with them.

SPACE

A critical issue faced by the head office currently is that of space. When asked about problems the head office sees as having a negative effect on their work, the staff

unanimously noted the shortage of space. We would recommend that the Executive Director and Board of Directors address the space issue as an urgent problem for the Association.

III. OTHER ISSUES

The Review Committee, as it gathered and reviewed information, encountered a number of somewhat dissimilar issues facing the CPA about which we believed a comment might be helpful. While certain of these issues have been touched upon earlier in this report we believed that a formal comment in this section of the report might be helpful.

CONVENTION

There is little doubt that the annual convention has been an item of both concern and significant discussion over the past few years. Included in the discussions at the board level have been, amongst other items, such things as the location of future conventions, whether or not the convention is seen as a revenue producing activity, a break even activity, or an activity to be subsidized by the Association, and, whether the annual convention should be held in commercial facilities, for example convention centres or hotels, or on university campuses. In addition, the Association has moved the dates of its annual convention with some frequency over the past four-five years from as early as late May to as late as July. Finally, because the chairperson of the convention committee has changed relatively frequently, there has been a lack of continuity of interaction between the convention committee and the convention coordinator in the head office. Our recommendations on the convention are:

1. The convention committee recommend to the board a set time in the calendar when the convention will be held, for example, the end of the second week in June. This will permit members to make tentative plans to attend the convention based on a regular expected schedule as to when it is taking place.
2. The locations of the convention be set for five years in advance to permit the convention coordinator to make suitable arrangements at reasonable costs and to obtain commitments on convention space, housing, etc., with possible hosts, whether they be university campuses, hotels, or convention centres.
3. The President attempt to get a commitment from a board member to act as convention chairperson for a minimum of two years and possibly three years. This will permit an individual to become knowledgeable about convention affairs and to building a working relationship with the head office convention coordinator.
4. That the board and the convention committee do a careful cost benefit analysis on the two major options of holding the convention on university campuses or in commercial facilities.

SECTIONS

Relationships with sections were commented upon earlier in this report. We would only note here that sections are of significant importance to the Association and that both the board of directors and the Association management both define and articulate an action plan on improving relationships between the board of directors and its sections.

FEELINGS OF OWNERSHIP

The Association is a membership organization of well over 4000 psychologists. If the Association is to be successful, the members of the CPA must feel that they have some degree of “ownership” of the Association.

With the various changes that have been made in recent years to the governance of the Association, in particular, the makeup of the board of the directors, there have been several occasions when the annual elections for new members of the board and for the president have not resulted in true elections but rather with individuals being put on the board or in the presidency by acclamation. In a democratically structured organization such as CPA, we wonder whether the situation has not resulted in a distancing of members from the board and the president. If the members are to feel that they play an essential role in the CPA, they need at the very least to participate actively in an electoral process for board members and officers. Without these feelings of ownership, the members will cease to see themselves as active stakeholders in the Association and will begin to see themselves as being “only members” of an organization where they have relatively few connections or responsibilities to foster the health of the Association.

The review team would strongly urge the board of directors ensure that a full slate of candidates compete for elections to the board of directors and to the presidency in forthcoming elections.

RELATIONSHIPS WITH OTHER PSYCHOLOGY GROUPS

The CPA in recent years in our view, has become an amalgam of members combined with other psychological associations such as CCDP, CSBBCS, CPAP, and CRHSP, amongst others. In many ways, this amalgam serves psychology well as it means that CPA is an umbrella under which all Canadian psychologists might gather. At the same time, the board of directors and the Association should consider carefully the type of relationship it would like to have with affiliated and non-affiliated Canadian psychological associations. Questions to be considered include whether all affiliate groups should be offered or have a right to a seat on the board of directors? Should there be fee sharing agreements with either affiliated or non-affiliated organizations? Do members of affiliated groups sitting on the board of directors, either, as members or observers have to be members of the CPA? Should CPA change its focus from being a membership

organization to being an umbrella organization with its members being constituent psychological organizations in the country?

In the review team's opinion Canada and Canadian psychology would be best served by having one psychological association that can speak for all of Canadian psychology and psychologists. In our view, this would permit the most efficient use of resources and would have a more powerful impact on Canadian society and other Canadian institutions. We realize, however, that not everyone would share our views. For this reason, we believe that the board of directors should provide a forum for such questions to be addressed. Certainly when one considers the board of directors and the fact that some constituent organizations would have members on the board, one fact should be considered. That fact is that individuals who serve on any organization's board of directors are there to serve that organization and to act in the best interests of that organization. Members of boards generally are not present to represent another group even though their presence on the board could be directly related to their being appointed by that group. Rather, such members are there to govern the organization on whose board they serve and not simply serve the interests of the group that appointed them to the board.

IV. FINANCIAL ISSUES

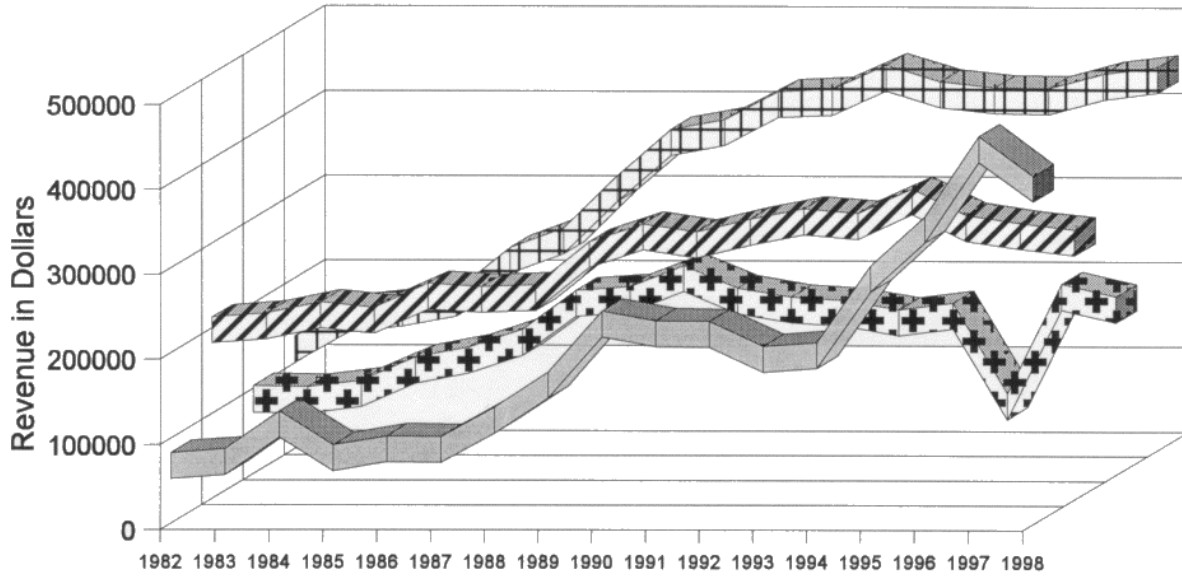
The approach we took to reviewing CPA finances was to examine longitudinal comparative data over a number of years. That is, we assembled data from CPA financial statements for as far back as this information was available (for example, revenue and expense information was available back to, and including, the year 1982), then we summarized this information in terms of longer-term financial trends. The questions which can be addressed using this approach include:





- Where have CPA monetary resources come from over an extended period?
- On what activities have these resources been expended?
- Has CPA typically been running in the "black" (i.e. have revenues exceeded expenses in year?) or has CPA typically been running in the "red" (i.e. at a loss where expenditures for given years have exceeded revenues)?
- Are long-term trends of CPA revenue or expenditure moving in any particular direction?

Having identified these financial trends, the CPA Board membership is in a better position to decide on two issues: (1) whether the history of revenue and expenditure of CPA has been appropriate and suited to achieving the goals of CPA over the longer-term; and (2) whether these long-term financial resources and commitments are presently balanced appropriately and headed in a preferred direction or whether management controls through the Executive Director should be applied to changing the pattern of revenue and/or expenditure in the future.

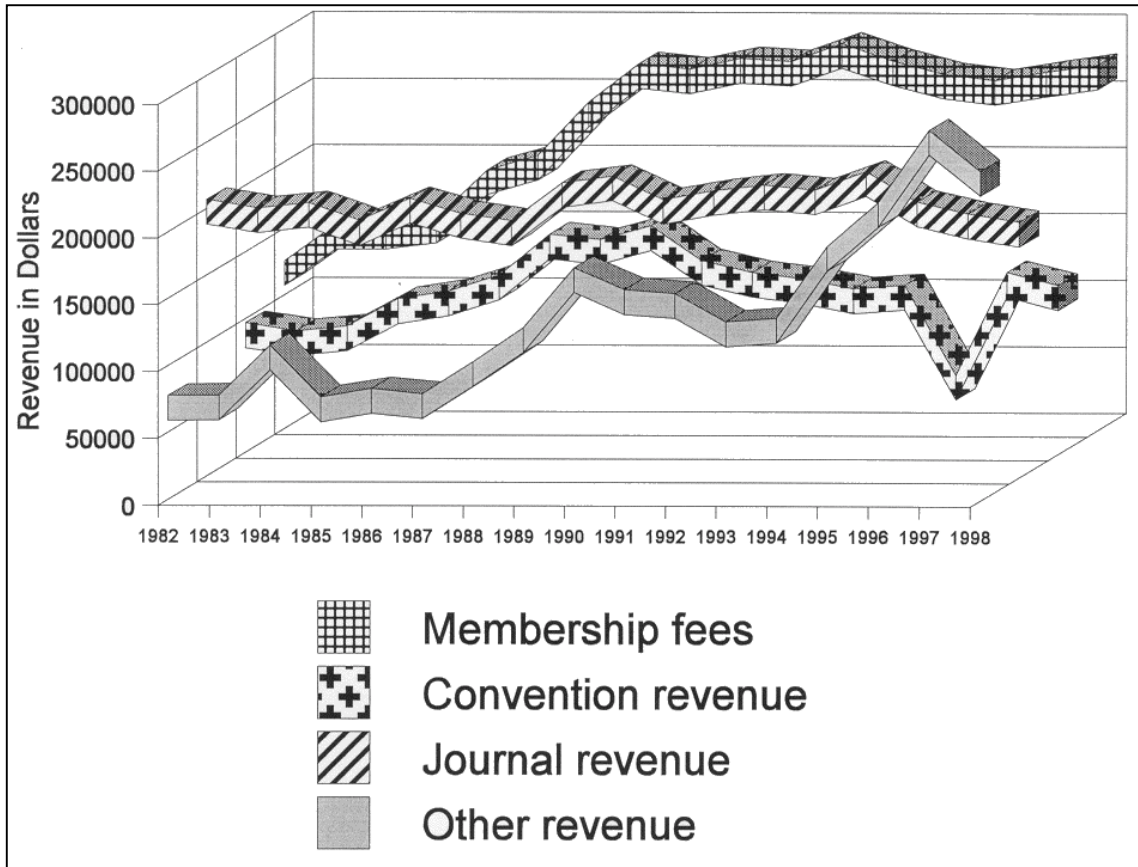
Our first analyses, presented in Figure A, detail the sources of CPA revenue by year. These results show steady increases in total membership fee revenue in the period from 1983 to about 1992, when membership revenues flatten out. This pattern is shown even more clearly in Figure B, where revenues are converted to constant dollars (using the cost of living index for 1982 as the base). Given a relatively constant number of fee-paying members over the years 1982 to 1998, the CPA membership would have experienced a relatively sharp increase in fees in real terms (i.e., over and above inflation in the years 1985-1989, with a leveling off of fees through the years 1990-1998. Revenues in constant dollar from the Annual CPA Convention and from CPA journals remained relatively stable through the 1982-1998 period. Interestingly, revenues from other sources rose sharply beginning in 1995. This pattern has important implications for future CPA financing which we will revisit later in this section.

Figure A: CPA Revenue by Source From Years 1982-1998



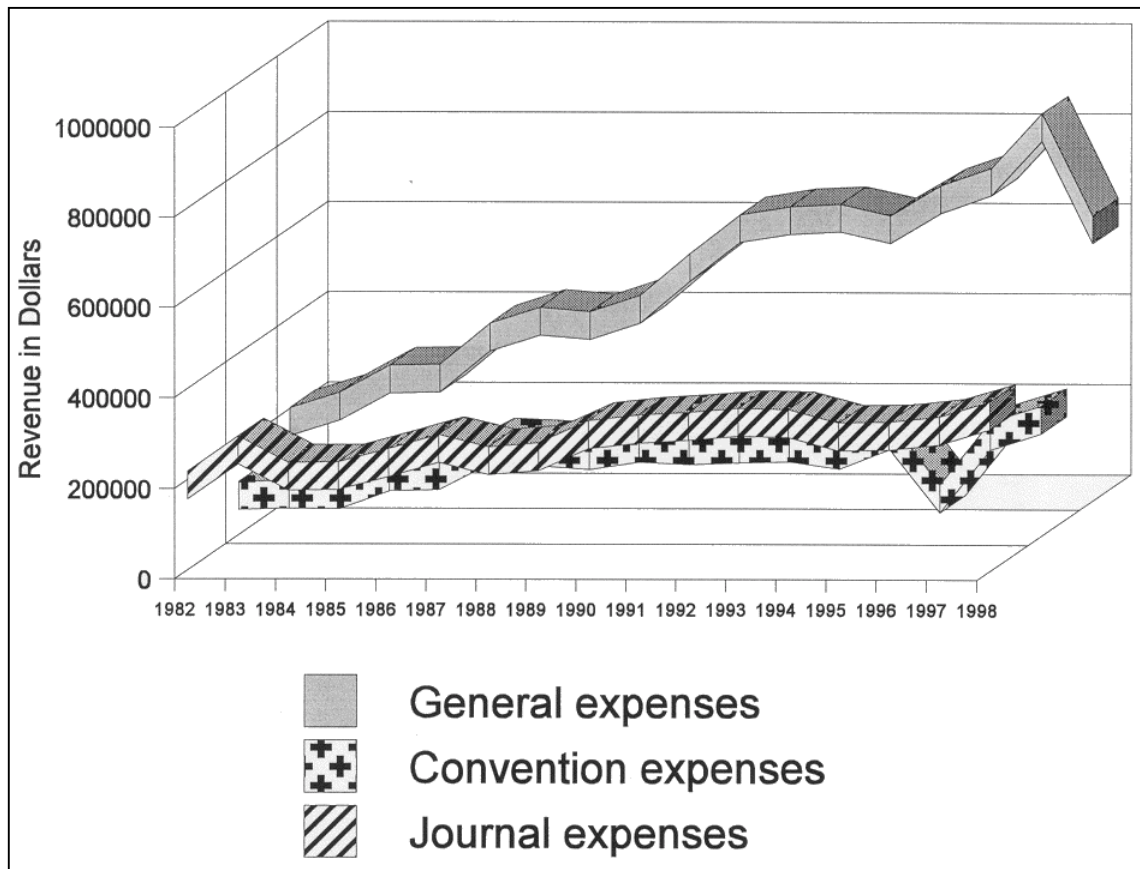
-  Membership fees
-  Convention revenue
-  Journal revenue
-  Other revenue

**Figure B: CPA Revenue by Source From Years 1982-1998
(In Constant 1982 Dollars)**



Two analyses, presented in Figures C and D, present the long-term historical expense picture for CPA (i.e., Where did the money go?). First, it is apparent that expenses for CPA Conventions and Journals have remained relatively constant over the years 1982-1998. These results should allay concerns by some members that expenses for either the Annual Convention or for CPA Journals have spiraled out of control. The expense area showing a steady increase over the period from 1982-1998 is General Expense. This appears to be mainly attributable to the increasing variety and extent of CPA activities (e.g. greater involvement of CPA in lobbying and external representation) as well as the associated increase in the size of the CPA staff over that period.

Figure C: CPA Expenses by Source From Years 1982-1998



**Figure D: CPA Expenses by Source From Years 1982-1998
(In Constant 1982 Dollars)**

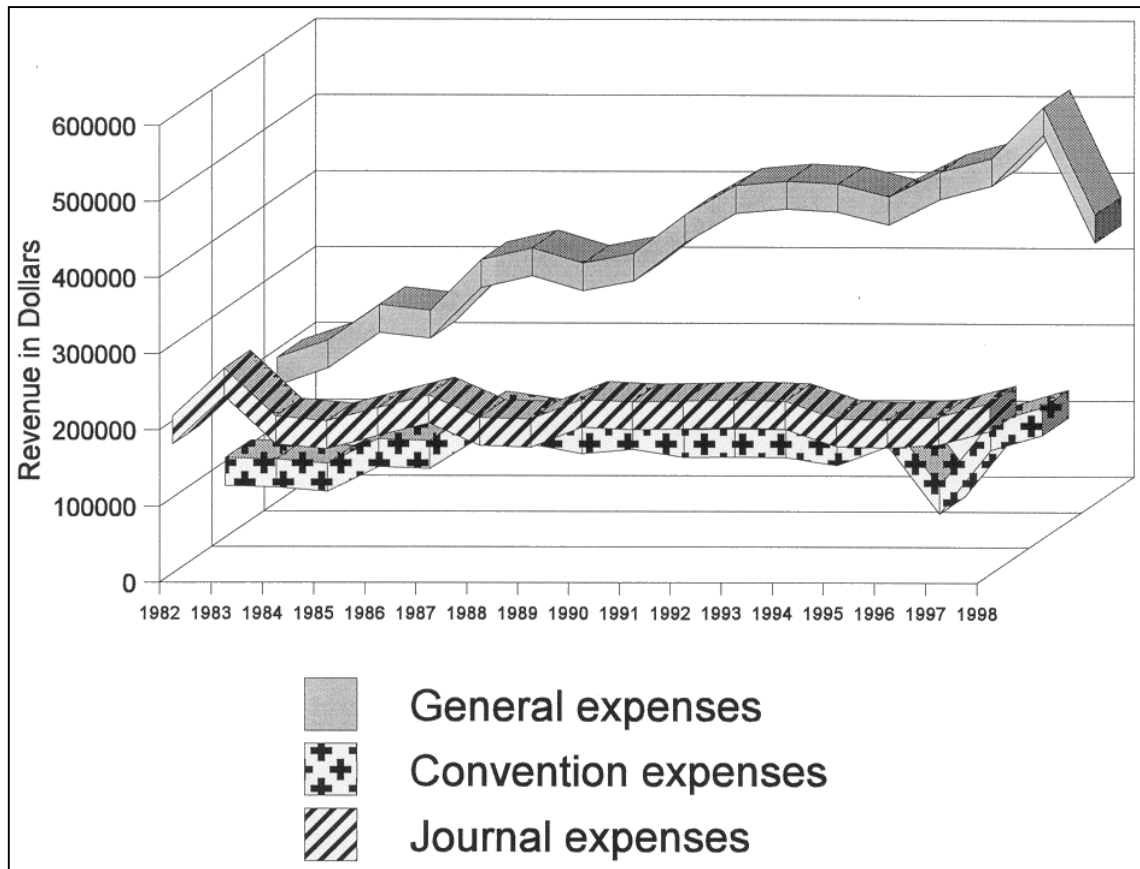


Figure E: CPA Surpluses and Deficits in Dollars Since 1983

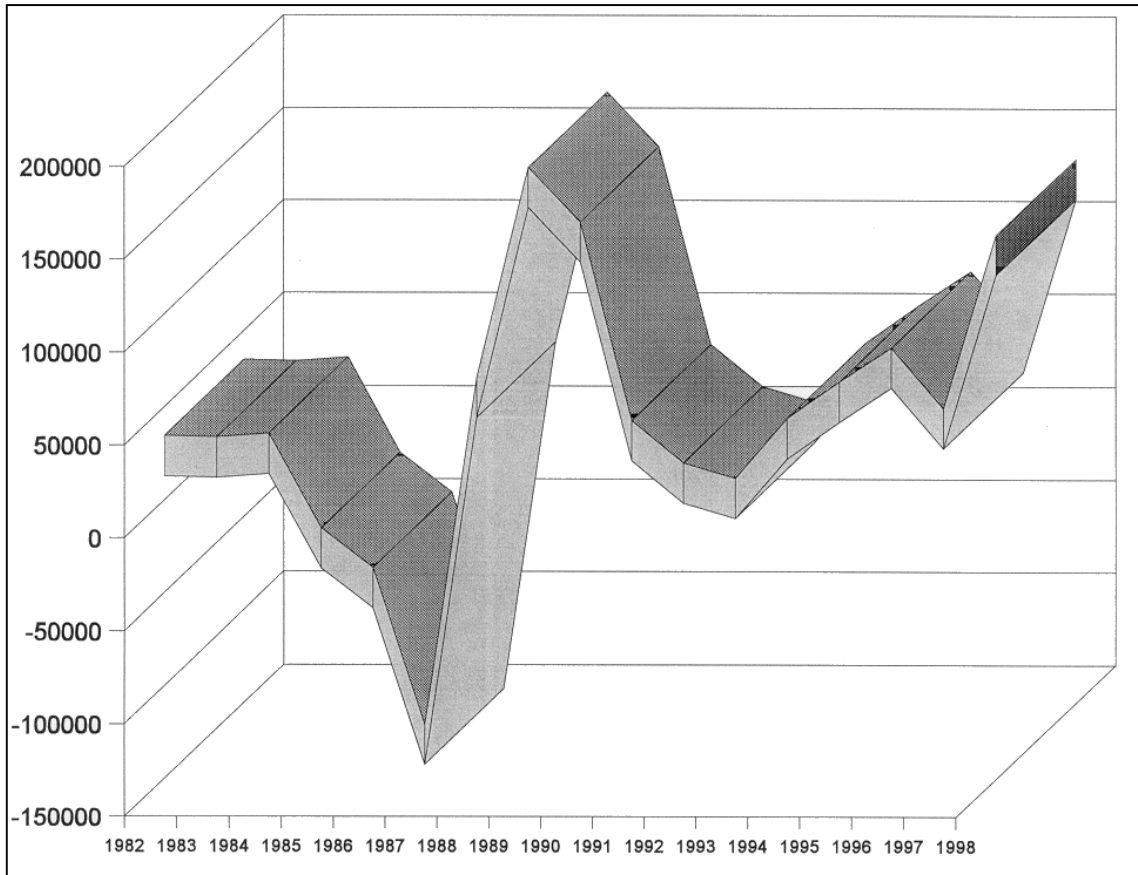
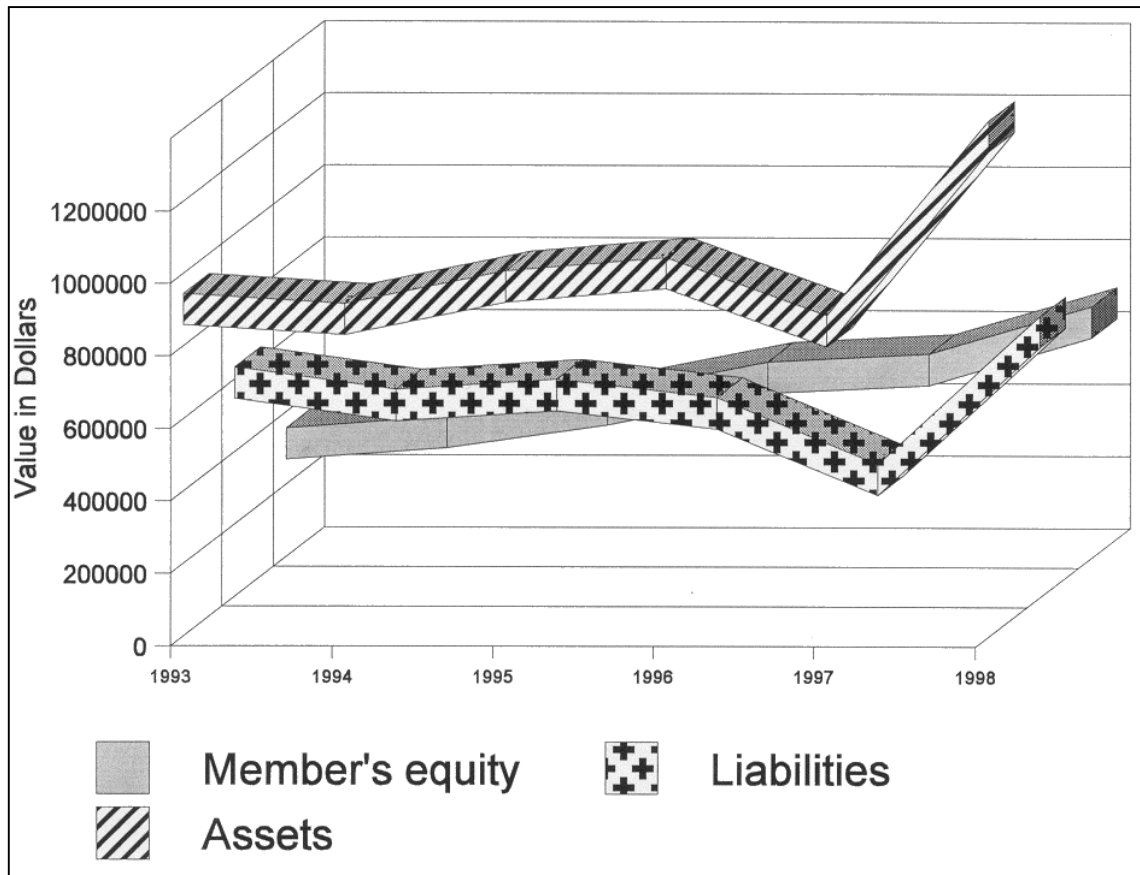


Figure E presents the surpluses (and in some case deficits) incurred by CPA from 1982 to 1998. (A surplus is realized when CPA revenues for the year from all sources exceed the expenses incurred by CPA for the same year; a deficit is realized when expenses exceed revenues.) The numbers in this chart show that CPA was in increasing difficulty in the years from 1985 to 1987, with a dramatic turn-around in 1988. Since 1988, CPA has been in a surplus position at the end of each year with at least some of these surplus monies being invested by the Executive Director on behalf of the membership.

Figure F: Major Balance Sheet Categories by Year Since 1993



Over the period for which data were available (i.e., 1993-1998), we looked at the three major sections of the CPA balance sheet (see Figure F). These figures reflect the overall financial state of CPA at the end of each financial year (for example, the figures for 1993 represent the financial state of CPA at December 31, 1993). The three categories can be understood in the following way: (1) Assets are what CPA owns at the end of the relevant year (e.g., cash in the bank and investments); (2) Liabilities are what CPA owes to creditors at the end of each year (e.g.; accounts and mortgages payable); and (3) Member's equity represents the difference between Assets and Liabilities. Member's equity is available for CPA activities in the subsequent year as desired by the Board.

The overall picture presented here is of good financial health. A large amount of the Member's equity is available at the end of 1998 for application to future CPA activities or to cushion unexpected financial hardship which CPA might face in future. The general trend of member's equity over the 1993-1998 period is one of a steady accumulation of member's equity through the cumulated surpluses from each year's operations.

Figure G: Total CPA Membership by Year Since 1991

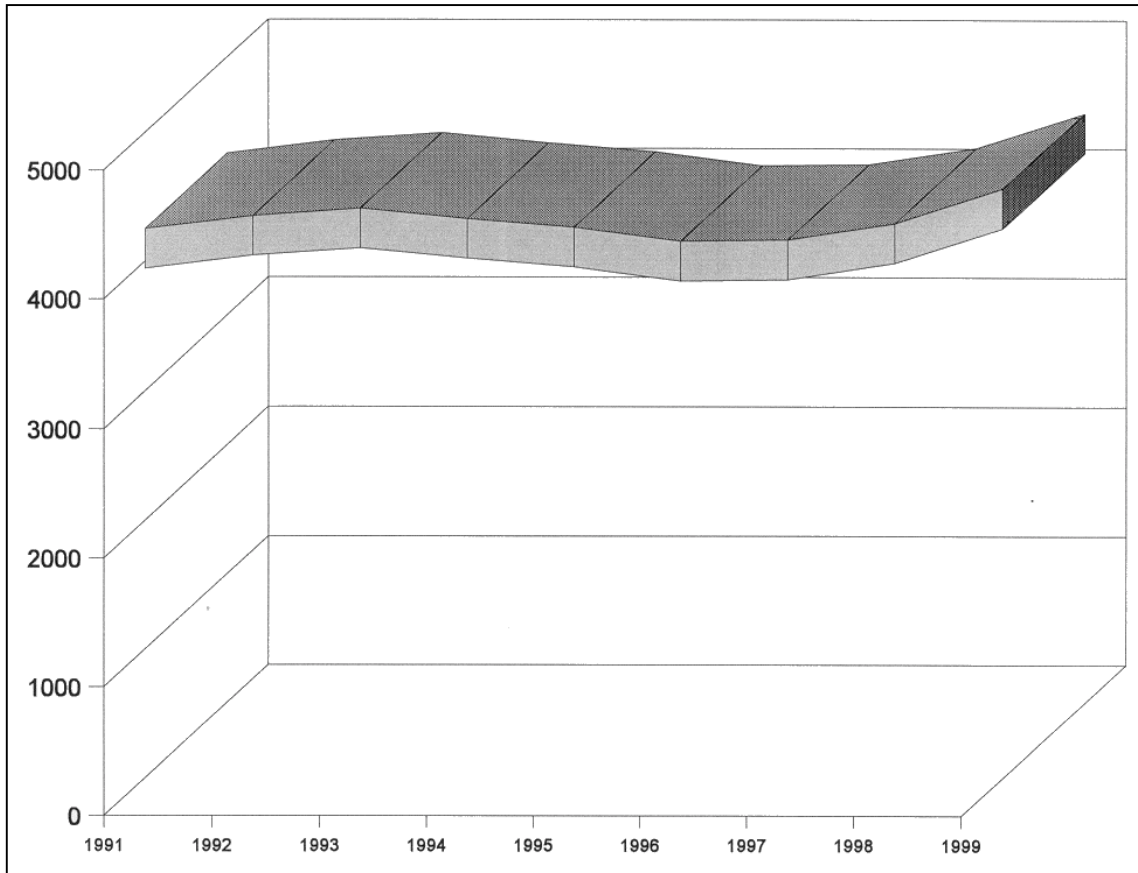
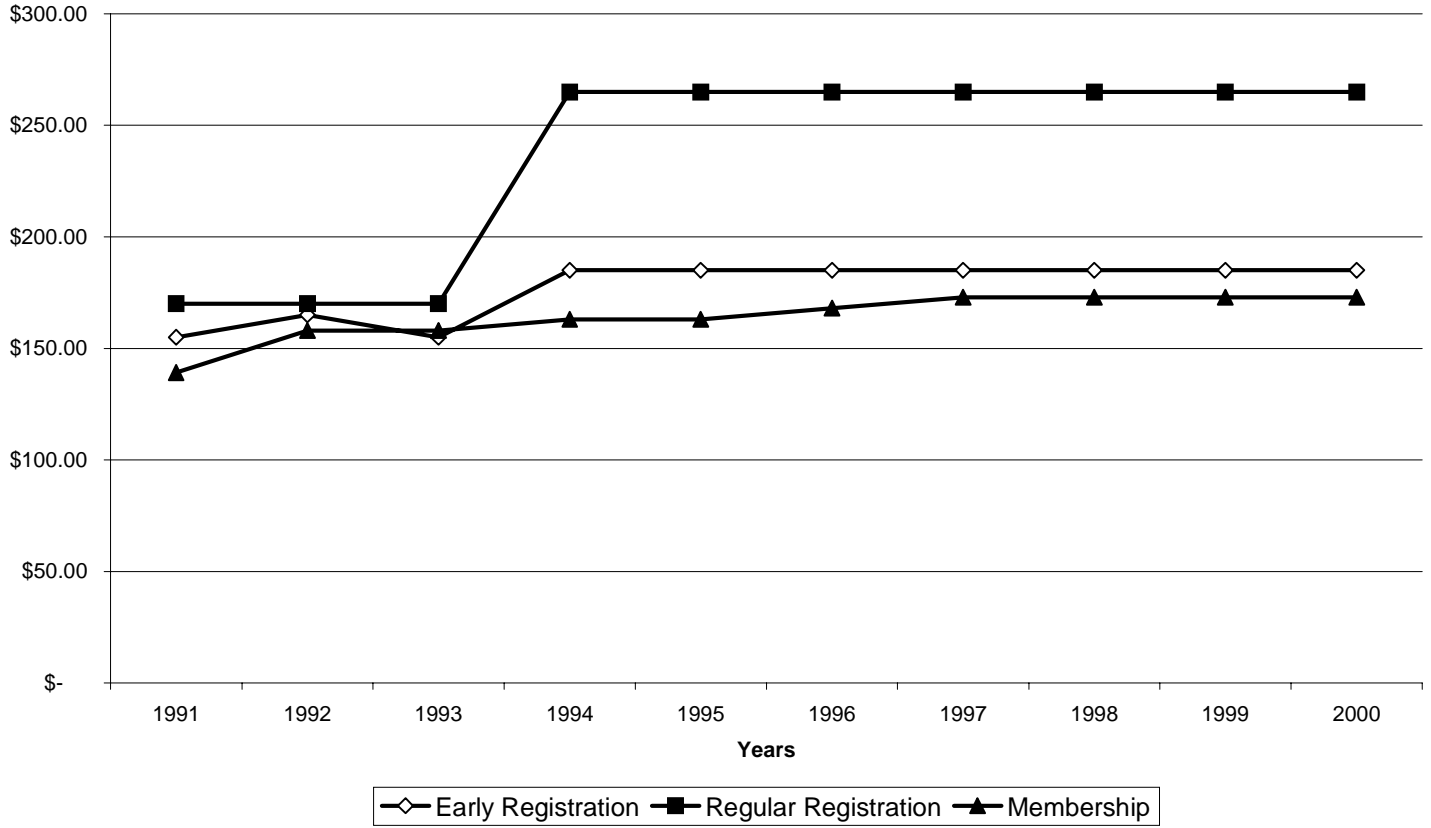


Figure G shows that the relatively good financial health of CPA over the 1993-1998 period was achieved and maintained against a backdrop of relatively stable membership numbers. It is at this point that the rapid increase in Other Revenue in recent years as illustrated in Figures A and B above becomes especially important. In the face of relatively flat membership fee revenue since the early 1990's, CPA operations have been expanded primarily through the raising of "non-traditional" sources of revenue (i.e., revenue other than from membership, Convention, or Journal subscription fees). (Examples of "Other" or "Non-traditional" sources of CPA revenue include interest on investments and sales of miscellaneous publications.) We in fact noticed a decidedly entrepreneurial attitude among staff who were actively involved, along with the Executive Director, in finding new sources of revenue to support the activities of CPA. This must certainly come as good news to those CPA members (presumably majority) who would prefer to "keep the lid" on their CPA fee payments. In fact, within the total picture of CPA operations over the past several years, operational activity has increased without the need to raise Membership fees by any substantial amount.

Convention & Membership Fees 1991-2000



SUMMARY OF FINANCIAL FINDINGS FROM CPA REVIEW

CPA is presently in a healthy financial position. Tight controls have been kept over Convention and Journal costs over the period we reviewed from (1982-1998). Although CPA membership has remained relatively static since the early 1990's, an increased level of CPA activity has been financed without the need to appreciably increase Membership fee revenue (however, we did note that Membership fee revenue rose substantially during the mid to late 1980's). CPA revenues and expenses related to Conventions and Journals have changed little in real terms since 1982, while revenue from other sources increased markedly in the later 1990's. The overall impression we have is one of generally prudent, conservative, and careful management by the CPA Executive Director and the CPA Board of Directors when dealing with financial resources entrusted to them by the CPA membership, with the exception of some difficulties experienced in balancing the budget during the mid to late 1980's.

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