

A STRONG ASSOCIATION:

APA Finance, Operations & Administration

The APA was fiscally strong in 2007. Financial strength enhances the organization's ability to serve members, patients and the medical and mental health communities.



**The APA 2007-2008
Board of Trustees**

MEMBERSHIP

Membership in 2007 reached a seven-year high, with 38,615 total members. Of this total, almost 80 percent were dues-paying members, a slight increase over the 2006.

Membership Recruitment and Retention. Recruitment and retention activities were expanded in 2007 to include a joint membership campaign with the American Association for Geriatric Psychiatry, exhibits at psychiatry conferences, targeted mailings to residency training programs to recruit non-member residents, and other special mailings to non-member psychiatrists. Eligibility for the rebate program changed in 2007 to include former members, as well as those who have never joined the APA. Through the program, psychiatrists receive a rebate of the difference between the non-member and member annual meeting registration fee if they apply for membership on site during the meeting. Over 100 members joined through the rebate program in 2007, including 75 percent of which were former members. Promotion began for the 2008 member-get-a-member campaign generating increased interest in membership.

The APA launched online membership applications during the summer and promoted this new feature through postings on the District Branch and Residents & Fellows list serves and through a banner on PsychiatryOnline.com. All membership recruitment materials encourage prospects to join online. By the year's end, more than 600 applicants applied for membership online.

Online Membership Profile and Directory. The Online Membership Profile link has been available for over a year and approximately 3,500 members have visited the Web site to update their profiles. The newly expanded Online Membership Directory was launched in 2007, featuring biographical and practice information from the membership profile making the directory more useful for referrals. Members are encouraged to visit the Web site to update their profiles and use the online directory.

Member Satisfaction/Needs Assessment Survey. Focus groups with members and lapsed members were conducted at the Annual Meeting in May 2007 helping to formulate the electronic survey conducted in July. A summary of findings and recommendations were forwarded to the APA Board of Trustees for further consideration with four major areas in which the APA should focus its resources.

INFORMATION TECHNOLOGY

The year 2007 presented many technological accomplishments and challenges regarding continued implementation and live use of the APA's association management system, TMA Resources Integrated Member Services Solution. During this year, use of the system expanded to the Meetings and Conventions Department.

The Information Technology team focused on making improvements to the current Association Management System and its Web portals. Several updates are planned for the District Branch/ State Association portal, including improved reporting capabilities, email features, and performance enhancements.

Working closely with the APA Office of Communications & Public Affairs, Information Technology continued the process of implementing a new Web site content management system (CMS) to improve the operations of managing and maintaining the APA's Web content. The Web design team trained the APA staff and conducted Web content reviews. The new site and CMS allows the association to provide a vastly improved member experience, as well as improved search capabilities and an updated format for www.psych.org.

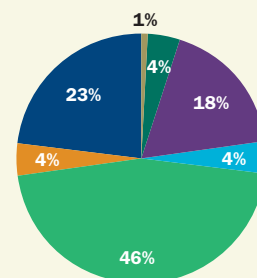
FINANCIAL OUTLOOK

The operations of the American Psychiatric Association remained strong for the fiscal year ending December 31. A strong financial position allows the APA to increase spending to fund program activities, including research, information, advocacy and public awareness. Since 2003, the amount spent in these important areas has increased 3 percent. Revenues exceeded expenses by \$1.3 million (excluding investment income) and the association's consolidated net assets were approximately \$76 million as of December 31. This year marks the sixth year of net surplus, which ensures the continued growth and sustainability of our program activities.

As reported last year, the APA is in a period of uncertainty with respect to external revenue sources. Membership numbers are moving upward and the association is holding the line on expenses, but uncertainties in the publishing and industry could impact revenue

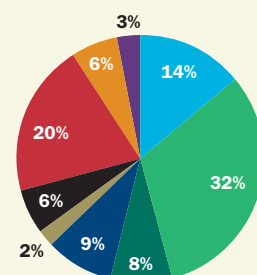
2007 OPERATING REVENUES*

Membership	10.2
PAC, Education & Other	2.4
Publishing	26.7
Federal Awards, Research & OMNA	2.1
Meetings	13.7
Foundation	0.7
Private Award Revenue	2.4
Total Revenues	58.2



2007 OPERATING EXPENSES*

Membership	1.7
Advocacy & Education	8.0
Publishing	18.1
Federal Awards, Research & OMNA	4.3
Meetings	4.9
Foundation	1.4
Private Award Expenses	3.4
Business Operations	11.6
Governance	3.3
Total Expenses	56.8



*Dollar amounts are expressed in millions.

streams and the APA is prepared to make necessary adjustments. It is important to note that while operations remain strong, revenue streams are getting tighter so we are entering a period of fiscal prudence and close management.

The APA approach to financial management starts with a strong financial control environment. Each year the Board of Trustees approves a budget that ensures 100 percent coverage of all approved spending, and the Financial Oversight Committee reviews the financial position with management regularly. The Board has approved a long-term strategy to ensure that the reserves are maintained at a fiscally responsible level. Early in 2008, the APA will implement a new accounting system to enable better information to support decision-making.

APA members can find more detailed financial data on the APA's Web site, psych.org.