

AMWA NEWS

AMWA Annual Financial Report, 2021-2022

Julie Phelan, MD, MBA / 2021-2022 AMWA Treasurer

Following is AMWA’s financial report for the 2021-2022 fiscal year, which ended June 30, 2022.

This past year has been successful in many ways (membership growth, successful virtual events, continued engagement of medical writing executives, support for the value of medical writing projects, new D&I initiative, etc.) We continued to enhance marketing and social media efforts and implement new strategies to promote programs. We exceeded income for almost all our revenue-generating programs by creating valuable and timely content, resources, and member benefits. Based on the number of attendees and positive evaluation results, we had a very successful 2021 virtual annual conference. The evaluation results for this event were overwhelmingly positive, and we exceeded all income categories.

FINANCIAL PERFORMANCE

Net income from program operations was \$335,422 versus a budgeted net loss from operations of (\$18,700). AMWA reported a net loss for the 2021-2022 fiscal year of (\$38,874) that was due to a significant investment loss of (\$486,697).

REVENUES

Overall, program revenues of \$1,806,892 exceeded budget expectations by 9%. This was largely because of conservative income budget estimates. Membership, annual conference, and education/certificate program income continue to be AMWA’s major sources of revenue, providing 87% of AMWA’s program revenue (Figure 1).

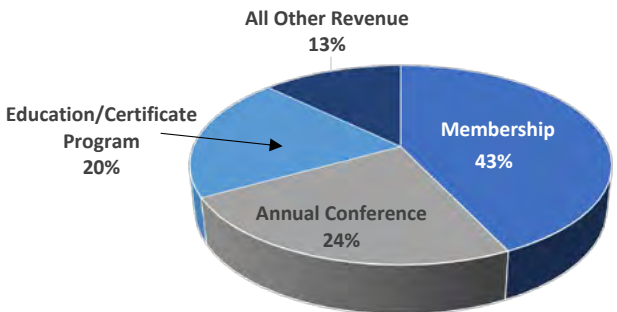


Figure 1. Sources of program revenue for the fiscal year that ended June 30, 2022.

EXPENSES

AMWA invests in programs, products, and services that bring value to members and the medical writing community. Overall, program expenses were under budget by 12% for the fiscal year. Total program expenses for the fiscal year were \$1,474,826, with 32% of the expenses being used to fund membership benefits, 18% of expenses being used to produce the virtual annual conference, 16% of expenses funding educational programs including the Essential Skills Certificate Program and online education, and 7% being used to produce the journal (Figure 2).

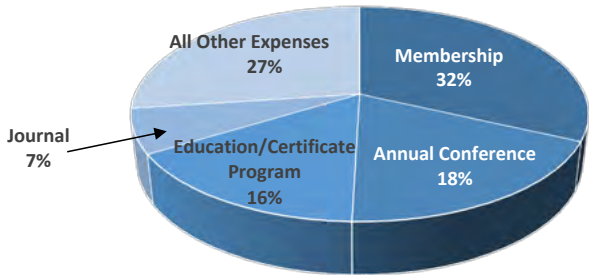


Figure 2. Sources of major program expenses for the fiscal year that ended June 30, 2022.

RESERVES

Reserves are the accumulation of funds over time that enable an organization to withstand an emergency or to invest in new mission-related initiatives. Unrestricted reserves of 6 to 12 months of annual operating expenses represent a standard target for not-for-profit organizations. Budgeted annual operating expenses were \$2,236,000 for the fiscal year beginning July 1, 2022, to June 30, 2023. AMWA’s unrestricted short- and long-term investment reserve level of \$2,728,821 on June 30, 2022, provided sufficient reserves to cover 6 to 12 months of operations.

AMWA’s restricted Endowment and McGovern funds totaled \$214,906 and \$172,541, respectively.

FINANCIAL POSITION

An organization’s financial position is reflected in its asset and liability holdings. AMWA is well positioned to pay its obligations and plan for the future. Total assets were

\$4,172,530 as of June 30, 2022, and the organization's liabilities totaled \$775,481.

FINANCIAL STATEMENT AUDIT RESULTS

Abercrombie and Associates, AMWA's independent auditors, expressed an unqualified opinion regarding their audit of the financial statements for the fiscal year that ended June 30, 2022. An unqualified opinion states that the financial statements present fairly, in all material respects, an entity's financial position, results of operations, and cash flows in conformity with generally accepted accounting principles. AMWA remains in a secure financial position as it continues expanding member benefits and resources into the next fiscal year. The full audit report is available to AMWA members upon request.

Acknowledgment

I thank Calibre CPA Group, PLLC, for providing the financial data and the members of the 2021-2022 Budget and Finance Committee for their review of reports and budgets: June Baldwin, Karen Bannick McQuoid, Alice Pappas, Whitney Smalley-Freed, Laura Town, and Christine Wogan; as well as ex-officio members: Katrina Burton (2021-22 AMWA President), Elise Eller (AMWA President-Elect), and Susan Krug (AMWA Executive Director).

Author declaration and disclosures: *The author notes no commercial associations that may pose a conflict of interest in relation to this article.*

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