



Governors' Committee to Study the Fiscal Affairs of the College: An update

by Karen E. Deveney, MD, FACS

The Board of Governors' Committee to Study the Fiscal Affairs of the College meets annually at the Clinical Congress and holds a minimum of two additional conference calls during the year to conduct its business. The committee has the responsibility of reviewing all College financial matters, including policies and procedures, budgets, business plans, resource allocations, and investments. An important part of the committee's charge is to review the dues structure, develop the long-term dues strategy, and evaluate the appropriateness of dues allocation among the College programs.

The committee is chaired by the Secretary of the Board of Governors, who also sits on the Board of Regents' Finance Committee (the body to which the Fiscal Affairs Committee reports). Deliberations of the Finance Committee are taken back to the Fiscal Affairs Committee for review and discussion. Recommendations of the Fiscal Affairs Com-

mittee are in turn taken back to the Finance Committee. Committee members must be knowledgeable about the College's financial matters and actions undertaken by the Regents, so that members of the committee can represent the Fellows in its deliberations and recommendations. The following is a summary of the committee's current activities.

Review of dues-supported programs

Each year, the Chief Financial Officer provides a breakdown of the percent and total amount of members' dues that goes to each division and program of the College. Last year, the committee formally and electronically solicited views from the Board of Governors on the relative value of each of these programs to the members. A brief description of the programs was included to improve members' understanding of what each entailed. Although a reasonable number of these surveys was returned, more complete representation

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is desired. To this end, the survey is being revised to make it more concise and less detailed. It asks members to provide additional ideas and opinions on new programs that would be of value to members as well as inquiring which existing programs they consider most valuable. This survey will be distributed and collected at the Board of Governors meeting this month at the Clinical Congress in New Orleans, LA, to obtain more complete and representative information. This survey will also provide information to the members of the Board of Governors, since it will detail for them how members' dues are distributed so that this information can be transmitted to Fellows of the College.

In addition to compiling and analyzing the data collected from this survey, the committee also gains information on the Fellows' views from the annual electronic Governors' survey of issues that takes place every May. Recommendations for programmatic change are forwarded to the Board of Regents.

Develop and recommend dues strategy

One of the major duties of the committee is to evaluate the ACS dues structure and recommend changes in the long-term dues strategy. In keep-

ing with the fiscally responsible nature of the typical College member and the accepted principle of "no new taxes," recommendations for dues increases have been few and far between. Although resources expended on dues-supported programs currently cost \$187.36 more than the \$440 dues, the positive financial position of the College (as a result of its excellent recent investment strategy) makes dues increases unnecessary for the foreseeable future.

Review of Finance Committee actions

The Fiscal Affairs Committee of the Board of Governors reviews the actions of the Board of Regents' Finance Committee during each of its meetings. This review includes budgets, business plans, financial reports, investments, and expenditures for special projects. Committee members should represent the views of the Fellows and the Board of Governors members to the fullest extent possible. Recommendations of the Fiscal Affairs Committee are taken back to the Finance Committee meetings by the committee Chair.

Review of business plans

All proposed programs that would have personnel costs, be ongoing, require an expenditure of more than \$50,000, and represent

new undertakings of the College to benefit its members must also have a submitted business plan for review by the Finance Committee. These business plans are also reviewed by the Fiscal Affairs Committee and the Committee's opinion is communicated to the Finance Committee. Business plans that have been recently reviewed include the Health Policy Research Institute proposal; the Plan for Enhancing the Public Profile and Visibility of the American College of Surgeons; the Centennial History of the American College of Surgeons; the expansion of the Division of Research and Optimal Patient Care; the Program for Verification of Surgical Knowledge and Skills; and several new educational programs for residents, associates, and Fellows. In addition, the committee has deliberated the building project in Washington, DC, in depth over the past two years.

Review of budgets and statements

The committee reviews each proposed budget as soon as it is developed. Recommendations are returned to the Finance Committee of the Board of Regents. Financial statements of the College as well as investment performance are reviewed on a regular basis and recommendations are forwarded to the Finance Committee. All new programs that are considered by the College and that have financial implications are reviewed by the Fiscal Affairs Committee. A major emphasis of the committee, as it is for the Finance Committee of the Board of Regents, is to develop programs that can be self-sustaining and produce revenue rather than just consume resources. The College's sound and successful investment strategy over the past few years has helped many of the programs to be self-sustaining, if not profitable, and has led to the \$187.36 in benefits per member over the total collection from dues payments.

Future directions

The committee will continue to collaborate with the Finance Committee of the Regents to make the most of the College's considerable resources for the benefit of its members. It will also continue to seek more efficient and visible avenues to communicate to the Fellows

the broad range of benefits provided by their dues and educate them to take full advantage of the College's programs. □

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