



## **SGIM TREASURER REPORT—Executive Summary**

Presented by:

Patrick O'Connor, MD (Treasurer 2022-2024)

Final Report Fiscal Year, July 1, 2021-June 30, 2022

Interim Report Fiscal Year, July 1, 2022-June 30, 2023

Reported May 2023

The Society of General Internal Medicine operates with an annual budget of almost \$4 million which supports staff, membership, annual meeting, JGIM, committee and Council activities and programs. Actual revenue and expenses are reported throughout the year to the SGIM Council/Executive Committee and a standing Finance Committee, who provide oversight of all fiscal activities. In addition, as a federally tax exempt 501 (c)(3) organization, SGIM is audited annually by Barwick and Associates, Certified Public Accountants, and has universally received positive audit reports without any qualifications.

This operations budget includes revenue from:

- Membership
- Annual Meeting registrations
- Journal of General Internal Medicine (JGIM)
- External funds (royalties, grants, donations)

### **FY2022 Operations Budget.**

Our fiscal year runs from July 1 to June 30. In Fiscal Year (FY) 2022, our Operations revenue was \$3,996,037 and our expenses were \$3,851,728, with a surplus of \$144,309. This includes forgiveness for the Paycheck Protection Program loan in the amount of \$323,957, which was awarded in FY2021 and forgiven in FY2022 and proceeds from the Employee Retention Credit in the amount of \$140,908. These federal programs have provided infusion of critical funds to offset a \$900,000 pandemic-related deficit in FY2020 due to a cancelled annual meeting and reduced membership renewals, as well as the subsequent switch to a virtual meeting in 2021. We are pleased that to a large extent, our revenues have rebounded since FY2020, which has helped with the bottom line in the past couple of years.

SGIM also maintains both restricted and unrestricted investment accounts that support our awards programs and reserve funds, respectively. The unrestricted fund balance held in our investment accounts on June 30, 2022 was \$2,112,312, which keeps us aligned with our policy of ensuring a six-month operating fund held in unrestricted reserves. As of June 30, 2022, the total held in our restricted fund accounts was \$3,381,577. The final close numbers for FY2023 will be reported following the end of the fiscal year. Through support of funds donated in past years by the Hess Foundation to the Founders awards program, we have been working to

enhance SGIM and ACLGIM programs to extend opportunities to a greater audience. This revision of awards distribution will be used as a model for other potential programs going forward.

In FY2022, external funds were raised in excess of \$555,000--\$196,090 (donations), \$140,000 (UpToDate royalties). \$219,000 (grants and JGIM supplements supported by the Veterans Administration and others), which is reflected in the SGIM Operations budget.

### **Financial and Fundraising Trends**

- SGIM has continued to recover from financial instability and loss with the pandemic and subsequent economic trends (higher costs for services, membership and annual meeting fluctuations). In 2022, we held a successful in-person annual meeting in Orlando with 2,056 attendees. The 2023 Denver meeting is projecting over 2,400 attendees. We benefitted from conservative budgeting, healthy reserves, revenues from a strong JGIM, a strong push for membership, and the influx of money from the federal Paycheck Protection Program and the Employee Retention Credit program. In addition, leadership focused on philanthropy as a way to broaden our revenue opportunities.
- The Hess Foundation has provided key support to SGIM with unrestricted donations of \$100,000 in 2020, 2021 and 2022. These have allowed us to begin and sustain a successful philanthropy program with the goal of creating a culture of giving among our membership, strengthening our infrastructure, and raising our donation revenue goals substantially. The Forging Our Future program has since raised over \$500,000. These funds support SGIM programs, scholarships, mentoring and Diversity, Equity and Inclusion (DEI) efforts and help us create a culture of giving among our membership with an increase in both amount and number of gifts each year.
- Contract Offsets: In addition to development activities, payments from the Association for Chairs and Leaders in General Internal Medicine (ACLGIM), grants from the Veterans Affairs Health Services Research and Development program, and our career development programs are used to offset costs that SGIM incurs to support these entities and programs.
- Career Fair/Exhibits: Post-pandemic, we rebuilt our exhibit program during the annual meeting to include 17 exhibitors in 2022 and 30 in 2023. Exhibitors include recruiters for positions and fellowships, program directors, government and other health system representatives.
- Grant funding for FY2022 included: 1) \$32,000 in support for VA activities at the Annual Meeting from the VA HSR&D Quality Enhancement Research Initiative (QUERI), \$30,000 for Year 2 of a Partnered Research Curriculum program and a further JGIM Supplement on Women's Health funded by the VA. VA grant funding in each of these areas will continue in FY2023. In addition, in FY2023 we received grants from the Council of Medical Specialty Societies (CMSS) and the Harrington Trust/Christiana Care system.

\* \* \* \*

The leadership and staff of SGIM consider the role of stewardship of the Society as paramount and recognize that the financial health and potential for growth are fundamental to the work that we do, and key to our ability to respond to the needs of our members as your professional home. We welcome member participation and input into the process and invite you to consider joining the Finance Committee. Contact Leslie Dunne at [dunnel@sgim.org](mailto:dunnel@sgim.org).



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### **BACKGROUND**

The Society of General Internal Medicine operates with an annual budget of almost \$4 million which supports staff, membership, annual meeting, JGIM, committee and Council activities and programs. Actual revenue and expenses are reported throughout the year to the SGIM Council/Executive Committee and a standing Finance Committee, who provide oversight of all fiscal activities. In addition, as a federally tax exempt 501 (c)(3) organization, SGIM is audited annually by Barwick and Associates, Certified Public Accountants, and has universally received positive audit reports without any qualifications.

This operations budget includes revenue from:

- Membership
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- External funds (royalties, grants, donations)

In this report, we provide the official final budgetary figures for FY2022 and discuss general trends for FY2023.

### **FY2022 Operations Budget.**

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These federal programs have provided infusion of critical funds to offset a \$900,000 pandemic-related deficit in FY2020 due to a cancelled annual meeting and reduced membership renewals, as well as the subsequent switch to a virtual meeting in 2021. We are pleased that to a large extent, our revenues have rebounded since FY2020, which has helped with the bottom line in the past couple of years.

External funds were raised in excess of \$555,000--\$196,090 (donations), \$140,000 (UpToDate royalties). \$219,000 (grants and JGIM supplements supported by the Veterans Administration and others), which is reflected in the SGIM Operations budget.

SGIM also maintains both restricted and unrestricted investment accounts that support our awards programs and reserve funds, respectively. The unrestricted fund balance held in our investment accounts on June 30, 2022 was \$2,112,312, which keeps us aligned with our policy of ensuring a six-month operating fund held in unrestricted reserves. As of June 30, 2022, the total held in our restricted fund accounts was \$3,381,577. The final close numbers for FY2023 will be reported following the end of the fiscal year. Through support of funds donated in past years by the Hess Foundation to the Founders awards program, we have been working to enhance SGIM and ACLGIM programs to extend opportunities to a greater audience. This revision of awards distribution will be used as a model for other potential programs going forward.

## **FINANCIAL TRENDS AND STEWARDSHIP**

The SGIM leadership and staff work together to ensure that the Society remains viable and secure. The Finance Committee provides oversight of our expenses and revenue generation to identify any trends or issues that might impact the organizational bottom line and to make recommendations to Council regarding them. We have had surpluses in 20 of the last 22 years (including four in the past five years during the pandemic and aftermath), which has been important in building our cash reserves and keeping them strong, as illustrated in **Table 1**.

Revenue Vs. Expenses over past 5 years (Table.1)					
	<b>FY2018</b>	<b>FY2019</b>	<b>FY2020</b>	<b>FY2021</b>	<b>FY2022</b>
Total SGIM Revenue	\$ 3,665,810	\$ 3,873,273	\$ 1,959,751	\$ 2,856,526	\$ 3,996,037
Total SGIM Expenses	\$ 3,274,168	\$ 3,533,007	\$ 2,886,458	\$ 2,582,619	\$ 3,851,728
<b>Surplus/deficit</b>	<b>\$ 391,642</b>	<b>\$ 340,266</b>	<b>\$ (926,707)</b>	<b>\$ 273,907</b>	<b>\$ 144,309</b>
<b>Budgeted Surplus/deficit</b>	<b>\$ 51,661</b>	<b>\$ (47,258)</b>	<b>\$ (47,257)</b>	<b>\$ (591,193)</b>	<b>\$ (142,178)</b>

## **PROJECTIONS**

As we preview budget projections that include unusual or non-recurring expenses (the implementation of a revised Society Web site and the building of member career development, mentoring and other member resources), Council and staff continue to identify strategies to remain fiscally sound.

### **Revenue to SGIM.**

Although SGIM is funded predominantly through our membership dues, conference registrations and JGIM revenue, we have been successful in bringing additional funding (representing on average 10% of our total revenue) through a variety of external funding sources, including government, corporate and foundation grants and individual donations. These activities are managed in conjunction with our development volunteers.

## **FISCAL HIGHLIGHTS FROM PREVIOUS AND CURRENT YEAR**

- SGIM has continued to recover from financial instability and loss with the pandemic and subsequent economic trends (higher costs for services, membership and annual meeting fluctuations). In 2022, we held a successful annual meeting in Orlando with 2,056 attendees. The 2023 Denver meeting is projecting over 2,400 attendees. We benefitted from conservative budgeting, healthy reserves, revenues from a strong JGIM, a strong push for membership, and the influx of money from the federal Paycheck Protection Program and the Employee Retention Credit program. In addition, leadership focused on philanthropy as a way to broaden our revenue opportunities.

- The Hess Foundation has continued to provide key support to SGIM with unrestricted donations of \$100,000 in 2020, 2021 and 2022. These have allowed us to begin and sustain a successful philanthropy program with the goal of creating a culture of giving among our membership, strengthening our infrastructure, and raising our donation revenue goals substantially. The Forging Our Future program has since raised over \$500,000.

### **Philanthropy Successes for FY2023**

The Forging Our Future program has supported important growth for the Society.

**Funding** over 75 complimentary memberships per year to first year fellows through the Investing in GIM Membership Program;

**Giving** over 50 scholarships per year for SGIM's medical student and resident members to attend in-person 2023 SGIM Annual Meeting through the Future Leaders of GIM Fund;

**Investing** in critical and innovative new infrastructure, allowing SGIM to pivot to the GIMLearn Learning Management System, Mentor Match and Annual Meeting virtual platforms.

In addition, we have significantly expanded our Legacy bequest program by 30% and a projected revenue of \$800,000. This will be a key area of extended outreach in the coming year.

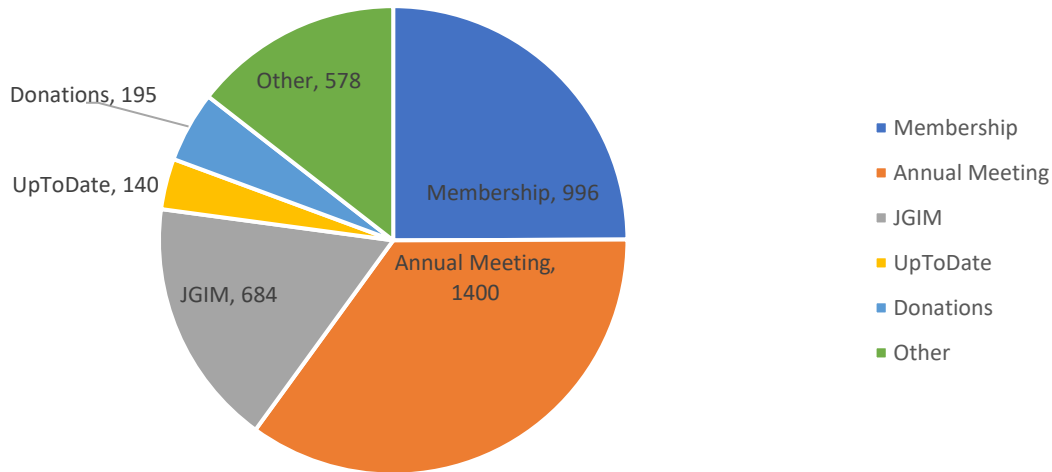
These philanthropic efforts resulted in the following:

- 6% of SGIM members were donors in FY2023.
- 100% of Council members donated in FY2023
- 80% of past SGIM and ACLGIM presidents donated in FY2023

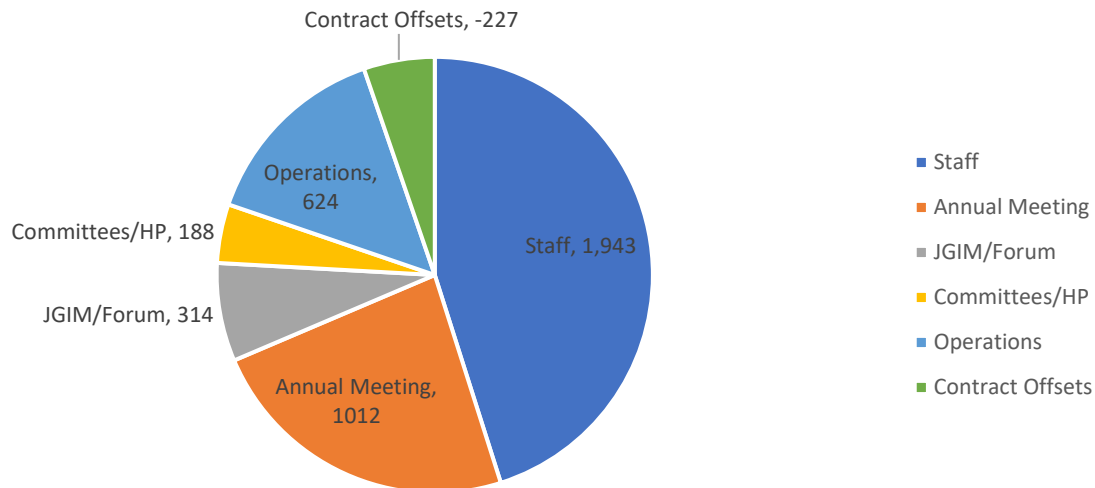
### **SGIM OVERALL BUDGET**

The operating budget tracks the Society's day-to-day operations. As shown in Figures 1 and 2, the major revenue sources are the Annual Meeting, Membership dues, and JGIM, donations and other (PPP/ERC, condo revenue and miscellaneous income). Major expenses are staffing, Annual Meeting, general operations and JGIM. Non-dues revenue also includes program administrative fees paid to SGIM (eg, ACLGIM, Academic Hospitalist Academy, indirect costs from grants awarded to SGIM).

**Figure 1: FY2022 Revenue (in hundred thousands)**



**Figure 2: FY2022 Expenses (in hundred thousands)**



**RESERVE FUNDS**

SGIM has both restricted and unrestricted investment accounts that support our awards programs and reserve funds, respectively.

**Restricted Reserves**

The Restricted Reserves are funds held in our investment accounts to support endowments and awards. The goal is to pay for grants and awards annually from interest and dividends, and they can be augmented with unrestricted reserves, if the Council chooses to do so. All awards are reviewed annually to determine whether a monetary amount can be given as well as the award itself. As of June 30, 2022, the total held in our restricted fund accounts was \$3,381,577.

## **Grants and Awards Given by SGIM**

1. Lawrence S. Linn
  - The Lawrence S. Linn trust grants awards to young investigators to study or improve the quality of life for persons with AIDS or HIV infection
  - \$5,000 provided for one-time grant
  - This grant is not restricted as per use of the principal and will be closed when spent down
2. Mary O'Flaherty Horn Scholars in General Internal Medicine Program
  - To promote scholarship, advocacy, and creativity in the balance of work, family, and social responsibility
  - Up to \$30,000 for two years (offered each year) to sponsoring institutions (which match the award) to support the Scholar and the Scholar's work (note, no Horn grant was awarded in 2022).
  - Endowed
3. Founders Grant
  - Supports research by a junior investigator who demonstrates significant research and potential for important contribution to the field of general internal medicine through scholarly merit, creativity and innovation
  - Up to \$10,000 for a one-time grant
  - Endowed
4. UpToDate Subscription Grant
  - SGIM awards a one-year subscription to UpToDate to over 30 clinics serving in domestic resource-limited settings who do not have the funds to subscribe, we continue to expand this award opportunity as per UpToDate's support for the program
5. Frederick L. Brancati Award
  - Started in 2014, the Frederick L. Brancati award for junior faculty who inspire trainees to pursue academic GIM and provide support for trainees who aspire to become leaders in the transformation of health care through innovations in research, education, & practice
  - Up to \$2400 for awardee and trainee per year

## **Unrestricted Funds.**

The Unrestricted Reserves are our "rainy day" funds, holding at least six months operating budget to be used in the case of emergency need, or for council approved special expenditures (new web site development, for example). The unrestricted reserves are in accounts both with our investments and in our general bank account, to allow for fluidity and access. The Finance Committee monitors these funds to recommend any changes or redistribution of unrestricted funds, and to make recommendations to Council about potential use. The unrestricted fund balance held in our investment accounts for June 30, 2022 was \$2,112,312, which keeps us aligned with our policy of ensuring a six-month operating fund held in reserves.

SGIM receives external funding for programs and special projects, which are reported in the operating budget in terms of funds that come directly to SGIM, separate from the program costs per se. Although SGIM is funded predominantly through our membership dues and conference registrations, we have been successful in bringing additional funding (representing up to 10% of our total revenue) through a variety of external funding sources, including government, corporate and foundation grants, royalty partnership agreements (UpToDate) and individual donations.

**Legacy Program.** In 2018, SGIM initiated the Legacy Program to create a long-range endowment for SGIM, and we have continued to promote this effort to our members. As a result, we have grown to eight Legacy Circle Members who have committed to bequests to SGIM. The estimated amount of donations from this is upwards from \$800,000.

### **External Grants**

- **Grant funding for FY2022 included:** 1) \$32,000 in support for VA activities at the Annual Meeting from the VA HSR&D Quality Enhancement Research Initiative (QUERI), and a further VA grant for a JGIM Supplement on Women’s Health; \$30,000 for the continuation of the VA Partnered Research training.
- **Grant funding for FY2023 includes:** 1) \$32,000 in support for VA activities at the Annual Meeting from the VA HSR&D Quality Enhancement Research Initiative (QUERI), and further VA funded JGIM Supplements on Access to Care.

In addition, we received the following grants:

- The Council of Medical Specialty Societies (CMSS) has awarded SGIM a one-year grant (total \$100,000 per year) through the Gordon and Betty Moore Foundation for the project titled “Crowdsourcing to Develop an Educational Intervention on the Diagnostic Process: Special Emphasis on Mitigating Racial Disparities in Diagnosis of Acute Coronary Syndrome”, led by Cristina Gonzalez, MD, MEd and Monica Lypson, MD, MHPE.
- The Harrington Trust Foundation, through the Christiana Care health system, has granted SGIM a three-year grant (total \$230,000) for the Harrington Equitable Academic Leadership (HEAL) Program. Its purpose is to diversify and expand the network of primary care physicians in Delaware in collaboration with the Society of Teachers of Family Medicine to provide a robust menu of career development programs that will enhance the ability of Christiana Care to recruit and retain general internists and family physicians from under-represented in medicine (UIM) minorities.
- SGIM continues to work with UpToDate providing 30 reviewers annually who share their primary care perspective to evidence-based resource materials for health care professionals.

**The SGIM External Funds policy states the following:**

- Total External Funding is capped at no larger than 33% of SGIM operating budget income
- Non-profit or For-profit, Non-healthcare related organization category is capped at no larger than 15% from any single entity.
- For-profit, Healthcare related (eg, pharmaceutical companies) is capped at no larger than 5% from a single company and is capped at no larger than 10% from all pharmaceutical companies.
- All industry funding is reviewed by the Development and Ethics Committees to ensure adherence to our policies.



FY 2022 External Funds:

External Funds Report FY2022 FINAL  
Revised 6/2022

Funding Source	Funding purpose	Type of Funding	Total Funds proposed	Total Funds Awarded to date	Date funds due/received	Amount due to SGIM Operations Budget	Amount due to SGIM Program
<b>PARTNERSHIPS</b>							
UpToDate	Royalty	non-healthcare non-profit	\$125,000	\$125,000	10/22	125,000	Operations budget
<b>Subtotal</b>			<b>\$125,000</b>	<b>\$125,000</b>		<b>125,000</b>	
<b>PROGRAM FUNDING</b>							
ACLGIM	Management Fee		\$90,000	\$90,000		\$90,000	Contract offset
VA HSR&D's Quality Enhancement Research	Annual Meeting Symposia	government	\$32,000	\$32,000		\$32,000	Offsets AM expense
VA HSR&D	Partnered Research Curriculum YR 3	government	141,456	\$30,000	Past years	\$30,000	Contract offset
UpToDate	Annual Reviewer Administration	non-healthcare non-profit	\$15,000	\$15,000	12/21	\$7,500	Contract offset
<b>Subtotal</b>			<b>\$278,456</b>	<b>\$167,000</b>		<b>\$159,500</b>	
<b>JGIM SUPPLEMENTS</b>							
VA HSR&D	VA Supplement Support WOMEN'S HEALTH	government	\$147,602	\$147,602	10/21	\$12,000	Contract offset
UChicago	Diabetes		60,000	60,000	6/22	\$12,000	Contract offset
<b>Subtotal</b>			<b>\$207,602</b>	<b>\$207,602</b>		<b>\$24,000</b>	
<b>OTHER</b>							
Forging our Future—Annual Fund	Individual donations plus Hess donation		\$242,500	\$176,870		\$176,870	
Forging our Future—Future Leaders			\$7,500	\$18,075		\$18,075	To program
Forging our Future—UNLTD			0	\$13,045			To program
Additional Programs	Geriatric (2), AHRQ (15), VA (27)			\$44,000		\$44,000	Contract offset
<b>Subtotal</b>			<b>\$250,000</b>	<b>\$259,990</b>		<b>\$246,945</b>	
Total Contract Offsets: \$227,000							
<b>TOTAL</b>			<b>\$861,058</b>	<b>\$759,592</b>		<b>\$555,445</b>	

**CONCLUSION:**

The leadership and staff of SGIM consider the role of stewardship of the Society as paramount and recognize that the financial health and potential for growth are fundamental to the work that we do, and key to our ability to respond to the needs of our members as your professional home. We are pleased to report that we remain pharma-free even as we look to expand our external funding opportunities.

We welcome member participation and input into the process and invite you to consider joining the Finance Committee. Contact Leslie Dunne at [dunnel@sgim.org](mailto:dunnel@sgim.org).