

Proposal for Merger of Oregon State Pharmacy Association and Oregon Society of Health-System Pharmacists

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Introduction

This document is the summary of the work by the joint task force between Oregon Society of Health System Pharmacists (OSHP) and the Oregon State Pharmacy Association (OSPA) to develop a proposal for a merged organization that represents the full membership of both of the current organizations. This work was completed at the request of the Boards of OSHP and OSPA in respect for the results of membership polls of both organizations.

This report lays out the framework for what a merged pharmacy organization within the state of Oregon would look like. It leads through the proposed organizational and leadership structure, expected financial picture and programs, concluding with a list of activities and content that will need to be undertaken to complete a merger as well as a timeline to guide the work.

Below is the summary of the work for this proposal that has been completed to date.

	OSHP	OSPA
Initial Taskforce meets to investigate a potential to merge organization	March 2016-August 2016*#	
<i>Summary Report: Potential Merge to One Professional State Pharmacy Organization</i> completed	August 2016	
Board Review of <i>Summary Report</i>	August 2016	September 2016
<i>Summary Report</i> published and membership polls completed	Oct/Nov 2016*	November 2016#
Board Vote to continue merger discussion	November 2016	January 2016
Second Merger Taskforce meets	February 2017- April 2017	

*Available for review at the following website: <http://www.oshp.org/merger-consideration-with-ospa>

#Available for review at the following website, under Recent News: <http://www.oregonpharmacy.org/>

Pertaining to this proposal, a vote will be put to the Boards of the organizations and the membership to decide if a merger of the two organizations are in the best interests of their groups. If passed, we are committed to a successful transition to the new organization. If all parties do not vote to merge, then we are still committed to our continued collaboration as separate entities.

Thank you for the opportunity to bring this proposal for merger to you!

Sincerely,

OSPA

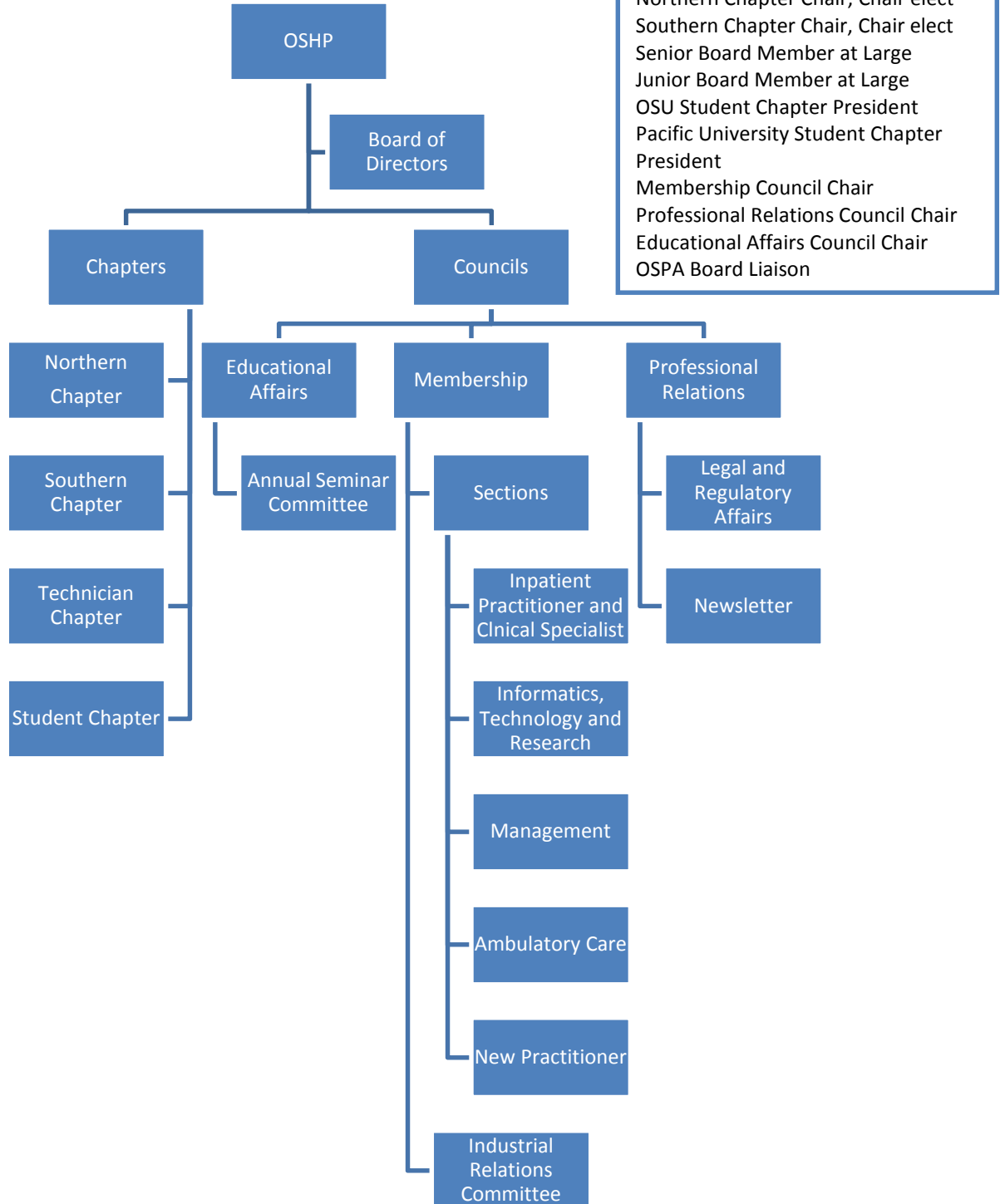
Linh Chau
 Joshua Free
 Kevin Russell
 Amy Valdez

OSHP

Andrew Gibler
 Zach McCall
 Dan Rackham
 Jacob Thompson

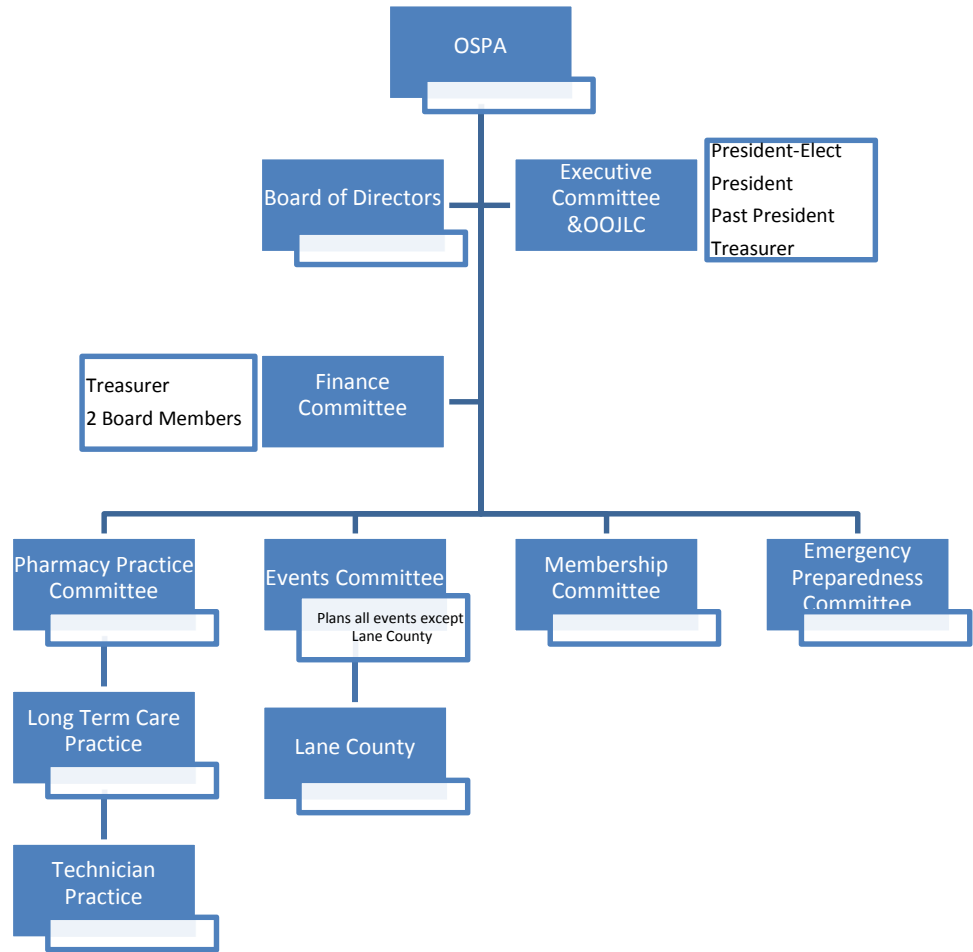
Organization and Leadership Structure

Current structure of OSHP

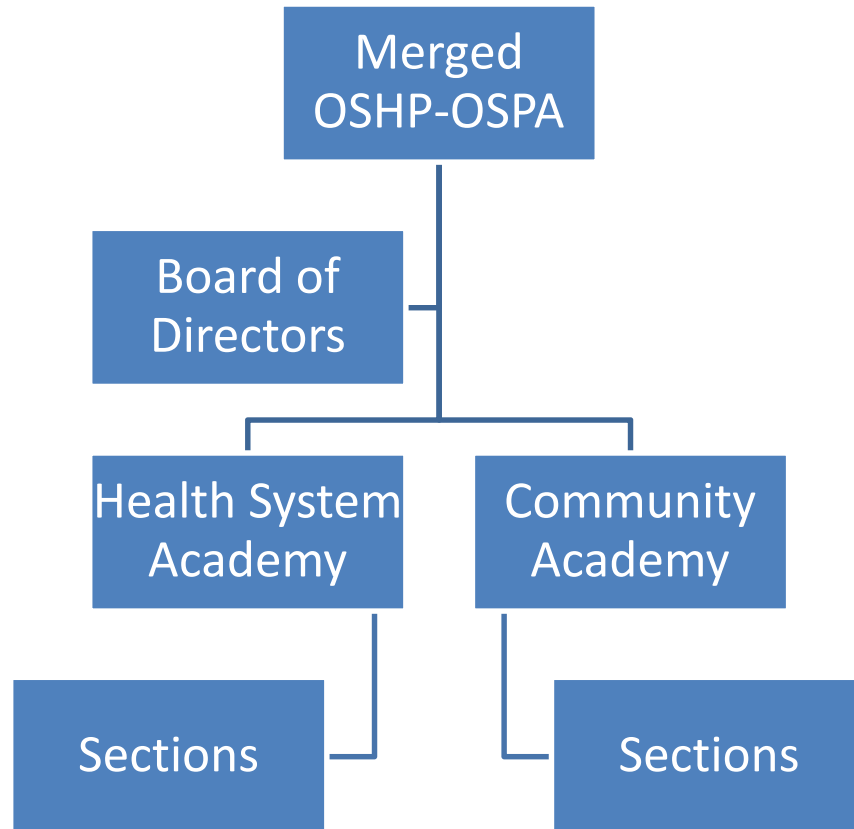


- President
- Past-President
- President-elect
- Treasurer
- Secretary
- Northern Chapter Chair, Chair elect
- Southern Chapter Chair, Chair elect
- Senior Board Member at Large
- Junior Board Member at Large
- OSU Student Chapter President
- Pacific University Student Chapter President
- Membership Council Chair
- Professional Relations Council Chair
- Educational Affairs Council Chair
- OSPA Board Liaison

Current structure of OSPA



Proposed merged structure – big picture

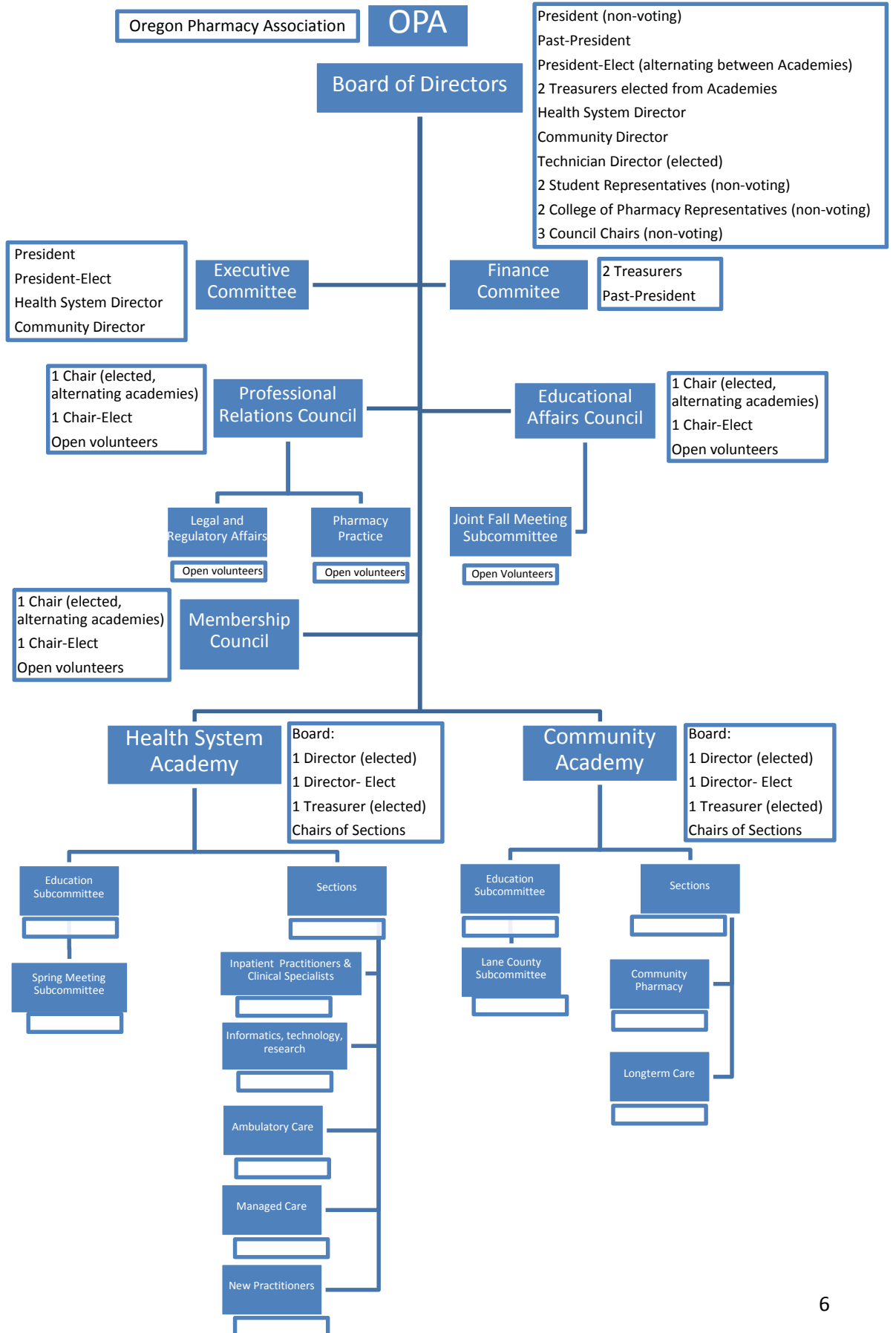


Structure Explanation

Our merged organization, Oregon Pharmacy Association (OPA), will operate under two Academies- Health System and Community. When joining OPA, members will choose a “home” academy to join. Under each academy, there are Sections which represent and develop specific professional interests. Despite signing up with one “home” academy, members can join as many Sections as they choose from either Academy. Each Academy will have it’s own leadership, with an elected Director and Treasurer. There will be separate and joint finances managed by respective Treasurers and the Board of Directors.

In the interests of a unified voice, interprofessional communication, and operational efficiency there will be joint Councils for: Membership, Professional Relations, and Educational Affairs. There will be 3 major meetings per year. Our joint Fall Meeting will be organized under the Educational Affairs Council. Spring Health System and Winter Lane County will be organized under the respective Academies.

Proposed merged structure – detailed



Program Structure

The Taskforce evaluated the various meetings and events for both organizations over the past three years. Upon review, both organizations have similarities with the mission, purpose, and format of events. Both OSPA and OSHP have two primary events throughout the year that generate the majority of the CE and financial support for that year.

Largest Annual Event

	OSHP	OSPA
Name of Event	Annual Seminar	Lane County Mid-Winter Seminar
Time of Year	April	February
Location	Rotates Bend and Gleneden Beach	Eugene
Total Attendees	270	209
CE Hours	15	15
Net Income	\$35,000	\$25,000

2nd Largest Annual Event

	OSHP	OSPA
Name of Event	Fall Seminar	Annual Convention
Time of Year	October/November	October/November
Location	Portland	Portland
Total Attendees	208	123
CE Hours	6	13
Net Income	\$30,000	\$15,000

The recommendation from the taskforce would be for:

- 1) A joint annual meeting in Portland in the fall each year. This event would be planned by the Educational Affairs Council with oversight from the Oregon Pharmacy Association (OPA) Board of Directors. The expenses and revenue from this meeting would be allocated to OPA. Each Academy would be represented equally on this council and help recreate four tracks of CE:
 - i. Health-System
 - ii. Community/Long Term Care
 - iii. Students
 - iv. Technicians

- 2) Each Academy would continue a winter/spring event separately, the Health-System Academy Seminar and the Community Academy Seminar. These events would be planned by the Education Subcommittee within each Academy Board. The expenses and revenue from this meeting would be allocated to the individual Academy. The sections of each Academy would be responsible for creating content and educational tracks at the meeting. All members of OPA would be invited to both meetings at the same registration rate. Any additional events the Academies would like to hold would be brought by the Academy Chair to the Board for approval and operated as stated above.

Financial Structure

OPA Income:

The primary sources of income for a merged organization will come from membership dues and educational seminars.

Membership dues will contribute an estimated annual income of \$136,525. This projection takes the mean number of members in each membership type from the past 3 years, removes dual membership, and assumes retaining 90% of pharmacist members.

	Total (mean past 3 years)	New Membership Fee	Projected Total
Pharmacist	603	\$175	\$105,525
Student	518	\$50	\$25,900
Technician	50	\$25	\$1,250
Associate	22	\$175	\$3,850
Projected Total	1193		\$136,525

Educational seminars will contribute a projected annual income of \$98,430 from the Health-System Academy seminar; a projected income of \$68,233 from the Community Academy Lane Co. seminar; and a projected income of \$92,010 from the OPA Annual Convention. These estimates are projected from the mean income for the OSHP Annual Seminars and OSPA Lane Co. Seminars from the past 3 years to project initial income for the two academy seminars, and takes the sum of 90% of the mean OSPA Annual Convention income and 75% of the mean OSHP Fall Seminar income from the past 3 years (net 17.2% reduction) to project initial income from the OPA Annual Convention.

Current Educational Seminars	Mean Income (past 3 years)	OPA Educational Seminars	Projected Income
OSHP Annual Seminar	\$98,430	Health-System Academy Seminar (Spring)	\$98,430
OSPA Lane Co. Seminar	\$68,233	Community Academy Seminar (Spring)	\$68,233
OSHP Fall Seminar	\$53,726	OPA Convention (Fall)	\$92,010
OSPA Annual Convention	\$57,462		
Projected Total			\$258,673

Revenue from the Health-system Academy Seminar will be divided equally between the Health-system Academy and OPA. Likewise, revenue from the Community Academy Seminar will be divided equally between the Community Academy and OPA. Revenue from the OPA Convention will be applied to OPA general account.

Other projected sources of income will include Industry Partnerships and Sponsorships (\$9,250 annually); Medication Therapy Management (MTM) educational programming (\$7,733 annually); McKesson grant funds (\$30,752 annually); dividend profit sharing income from current investments (\$27,418 annually); website job posting revenue (\$2,011 annually); website promotional material

(\$10,872 annually); independent pharmacy vial purchasing contracts (\$7,754 annually); and, when available, certificate programs offered through the American Pharmacists Association such as immunization training, the Cardiovascular Disease Risk Management Program, and the Diabetes Certificate Program.

The projected total annual income for the OPA is \$500,596.

OPA Expenses:

The primary expenses for a merged organization will come for association management services (Update Management, Inc.) and the educational seminars.

A new contract with Update Management, Inc. is projected to be the greatest expense for a merged organization with an annual cost of \$151,518. This projection is an estimated 25% savings from the two contracts each organization currently has with Update Management, Inc.

Update Management Contract	Expense (2017 fiscal year)	Projected Annual OPA Expense
OSHP	\$80,092	\$151,518
OSPA	\$121,932	

Cost to conduct the educational seminars will also contribute a large share of the total expenses for a merged organization at an estimated cost of \$174,412 annually. The projected cost for the Health-System Academy Seminar is \$68,120; the projected cost for the Community Academy Seminar is \$48,206; and the projected cost for the OPA Annual Convention is \$58,086. These projections take the mean expenses for the OSHP Annual Seminar and OSPA Lane Co. Seminar from the past 3 years to project expenses for the two Academy seminars, respectively, and takes 82.8% of the mean expenses for the OSPA Annual Conventions and OSHP Fall Seminars from the past 3 years to project the cost for the OPA Annual Seminar expense.

Current Educational Seminars	Mean Expense (past 3 years)	OPA Educational Seminars	Projected Total
OSHP Annual Seminar	\$68,120	Health-System Academy Seminar <i>(Spring)</i>	\$68,120
OSPA Lane Co. Seminar	\$48,206	Community Academy Seminar <i>(Spring)</i>	\$48,206
OSHP Fall Seminar	\$24,519	OPA Convention <i>(Fall)</i>	\$58,086
OSPA Annual Convention	\$45,633		
Projected Total			\$174,412

Expenses for the Health-system Academy Seminar will be divided equally between the Health-system Academy and OPA. Likewise, expenses for the Community Academy Seminar will be divided equally between the Community Academy and OPA. Expenses for the OPA Convention will be paid for by the OPA general account.

Other projected annual costs will include legislative lobbyist expenses (\$35,694); the MTM programming expenses (\$6,004); volunteer travel expenses to represent the individual academies at national meetings (\$8,729); general Board expenses (\$4,992); insurance costs (\$3,525); general operation costs (website, phones, storage, printing, postage, etc.) of \$11,657; newsletter expenses (\$2,706), general bank fees (\$6,937), and taxes (\$6,935), among other less costly expenses. It is not anticipated that a merged organization will accrue additional expenses not already accounted for in the cost projections.

The projected total annual expenses for the OPA is \$435,289.

Net Ordinary Income:

The projected annual net ordinary income for the OPA is \$65,307 with a gross profit margin of 15%.

****Note: this compares favorably to a three year average gross profit margin of 0% for OSPA and 4% for OSHP.***

Organization Assets:

Current assets in both organizations include balances in checking, savings, and money market bank accounts, in addition to current scholarship accounts. Each organization will contribute equally to cover initial start-up fees and other unanticipated expenses for OPA. This capital will be placed in separate accounts designated for the OPA. Remaining capital from OSHP accounts will remain in separate accounts managed by the Health-System Academy. Likewise, remaining capital for OSPA will remain in separate accounts managed by the Community Academy. Capital can be consolidated in the future at the discretion of the Boards for both academies.

Organization Assets		OPA Assets	
OSHP	\$326,887	Health System Academy	\$226,887
OSPA	\$176,379	Community Academy	\$76,379
		OPA	\$200,000

Budget:

Each organization will contribute \$100,000 at the onset of the merger. All remaining assets will stay in the academies' finances (accounts). The remaining balance and retaining 50% of academy seminar profits will motivate financial sustainability for each academy. All other expenses and income will be managed at the OPA level. The budget for the fiscal year will be overseen by the OPA Finance Committee and the OPA Executive Committee.

Membership dues, income from the OPA Annual Convention and Academy Seminars, industry partnerships, sponsorships and grants, and marketing revenue will be used to cover association management fees, OPA Annual Conventions and Academy Seminar expenses, legislative lobbyist expenses, OPA Board expenses, insurance costs, general operation costs, newsletter costs, banks fees, taxes, and other general expenses for the merged organization. In addition, equal allocation of funds will be provided to each Academy to cover Academy Board costs, education subcommittee costs, and costs for individual Academy Sections.

If the merged OPA organization were to dissolve, OPA assets would be divided equally between both academies. Each academy would retain assets from their individual accounts.

List of Content and Work To Be Developed

Items needed for Merger (*in no particular order*):

- 1) Constitution and Bylaws
- 2) Policies
- 3) New Lobbyist Contract
- 4) New Administrative Support Contract
- 5) New Bank Accounts/resource allotment
- 6) Name of organization
- 7) Membership- Who and how to move membership to new organization
- 8) Conferences and other programs to maintain
- 9) Funding Sources
 - a. Conferences
 - b. Sponsors
 - c. Membership Dues
 - d. Certificate Programs
- 10) Exit clause
- 11) Timeline for merger
- 12) Intent to merge resolution
- 13) Mission and Vision
- 14) Debt analysis
- 15) Pending legal issues analysis
- 16) Merger Agreement worksheet

Documents to review/compare:

- Incorporation papers
- Tax exemption letters
- Bylaws
- Rosters of board members
- Most recent Form 990 and state filing forms
- Most recent audited statements
- Most recent internal financial statements and budget
- List of significant assets
- List of insurance coverage
- Statement regarding any current or anticipated debt
- Statement regarding pending, anticipated or threatened lawsuits
- Lists of foundation and corporate funders with amounts, restrictions and expiration dates
- Lists of government grants and contracts with amounts, restrictions and expiration dates
- Description of individual donor gifts with names omitted

Proposed timeline

Needed Content	July/ Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18
Prior to Merge									
Board Approvals									
Intent to Merge resolution									
Membership Approval									
Write Constitution									
Write Bylaws									
Write Policies									
Exit Clause									
Develop Mission and Vision									
RFP- Management Organization									
Membership Approval of Governing Documents									
Transition Board elections									
ASHP Affiliation Paperwork									
Notice to Sponsors									
Immediately After Merge (anticipated April 2018)									
New Lobbyist Contract									
New Management Organization Contract									
New Bank Accounts									
Tax ID/ non-profit filing									
Incorporation papers									

Appendix

Appendix A) FAQ

What is the reason for a joint organization proposal?

There are two main reasons to consider this merger. The first is the advantage of having a professional organization that can be the “one voice” of pharmacy for the state for both legislation and practice. The second is that, through a decrease in duplicate services, a merged organization may be financially beneficial—which can help provide further programming and support for the membership.

Are there any downsides?

There is a short-term investment of time and capital to make the merger happen. During this transition, membership may not experience all the same services and programming that they are used to. Some members may find that an organization that has a goal of “one voice” for the whole profession may be too dilute for practice specific causes. Through investigation of the first taskforce, lessons were gathered from past states who were successful and unsuccessful. Thus, the structure of the proposed merged organization is designed to help mitigate this potential problem.

What past efforts have OSHP and OSPA made to work together?

OSHP and OSPA have had the past-presidents sit on each other’s Boards for years. There has also been collaboration through the Pharmacy Coalition, the Joint Legislative Committee, and through several practice advancement initiatives. There have also been attempts in the distant past at joint meetings.

Why are there academies that have been created?

The academy structure provides several benefits. First, it provides the needed structure to be able to successfully affiliate with ASHP. Secondly, it provides a place within the organization to maintain traditional culture and identity of the joining organizations and it creates a part of the organization where the needs of the different practice areas do not need to be diluted.

What happens if the two academies don’t agree on a policy for the organization?

The overarching Board creates a process that forces a single voice for the organization. The Board is designed to have equal representation from the different academies and will follow processes where disagreements are heard and discerned prior to decision.

Will a joint organization attract more members?

Experience from other states suggest that membership levels are roughly additive when joined. As each of the separate organizations have about 300 pharmacist members, we would expect about 600 pharmacist members to be a part of the merged organization. To be conservative in the financial projections, we used a 10% reduction in membership dues.

Will we still have a lobbyist?

The lobbyists would be retained in the merged organization.

Will we keep the same management company?

There will still be a management company, but which one will be decided by an RFP (Request for Proposal) bidding process. Update Management will be asked to submit for this. If Update Management is retained, it is unlikely that we would retain either of the current association managers in an effort to avoid the perception of bias.

What about including other pharmacy professional organizations?

To start with, this merger is only focused on the two most active state organizations in Oregon, OSPA and OSHP. The structure that is being proposed, however, has a framework for incorporating other professional organization should they and the new organization feel it would be mutually beneficial.

What will be the name of the new organization?

That will need to be approved by membership, but the proposal currently is the Oregon Pharmacy Association (OPA). This is consistent with other highly visible health care provider organization names in the state: Oregon Medical Association (OMA) and Oregon Nurses Association (ONA).

Appendix B) Side-by-side Analysis

Organizational Issue	OSPA	OSHP	Merged
Address	147 SE 102 nd Ave Portland, OR 97216	147 SE 102 nd Ave Portland, OR 97216	TBD
Web Address	www.oregonpharmacy.org	www.oshp.org	TBD
# of Board Members	17	18	15
Management Company	Update Management	Update Management	TBD
National Affiliation	APhA	ASHP	APhA and ASHP
Finances			
3 year avg. Annual Budget (Income/Expense/Net Income)	\$290,035 \$290,071 \$-36	\$231,449 \$221,847 \$9,602	\$500,596 \$435,289 \$65,307
Fiscal year end	Dec 31 st	Dec 31 st	Dec 31 st
Corporate Funders	McKesson Pharmacist Mutual Cardinal Health Upsher-Smith	Astellas, Abbvie, Allergan, NovoNordisk, TRG	TBD, anticipated that funders would remain
Dues	\$195 Pharmacist (\$350 for spouse) \$100 Retired Pharmacist \$0 1 st year practitioner \$75 2 nd year practitioner \$25 Student \$25 Technician \$300 Associates	\$160 Pharmacist \$80 Retired Pharmacist \$50 New Practitioner (1 st 2 years) \$25 Student \$40 Technician \$160 Associates	\$175 Pharmacist \$50 Student \$25 Technician \$175 Associates
Non-Membership/Sponsorship Income			
Events	Lane County Seminar Spring CE Seminar	Annual Seminar Fall Seminar	Health System Annual Seminar Lane County Seminar Joint Fall Event
Other	Certificate Programs Technician Certification PMG Revenue share PQC Revenue share Vial Program Job Postings	Technician Certification Chapter Meetings	Certificate Programs Technician Certification PMG Revenue share PQC Revenue share Vial Program Job Postings Section Meetings
Board Matters			

Board Installment	Annual Seminar- Fall (October)	Annual Seminar- Spring (April)	Joint Fall Event
Board Committees	Executive Membership Communications Events Coalition Bylaws & Nominating Pharmacy Practice Lane County Mid-Winter CE Seminar	Educational Affairs Annual Seminar Membership Industrial Relations Professional Affairs Newsletter Legacy and Regulatory Affairs	Finance Professional Relations Educational Affairs Legal and Regulatory Pharmacy Practice Joint Fall Meeting Healthy System Academy (HSA) HSA Education HSA Spring Meeting HSA Sections Community Academy (CA) CA Education CA Lane County Seminar CA Sections

Appendix C) Financial Spreadsheet

OSPA	OSHP	Total as Separate Orgs.	INCOME AND EXPENSE STATEMENT	Comm. Acad	Health System Acad.	OPA	Total as Merged Org.	Summary
Income								
								See Table below. Note: Projected 10% reduction in RPh membership. 67% Duplication in student membership
57,397	61,417	118,814	Membership Dues *	0	0	136,525	136,525	
0	773	773	OSHP North Chapter	0	773	0	773	
0	243	243	OSHP South Chapter	0	243	0	243	
0	1,480	1,480	OSHP Technician Chapter	0	1,480	0	1,480	
0	7,400	7,400	OSHP Partnership / Sponsorships	0	0	7,400	9,250	Predict 25% increase in industry sponsorship under merge
0	98,430	98,430	OSHP Annual Seminar	0	49,215	49,215	98,430	50% of Net profit will roll-up to OPA Finances
68,233	0	68,233	OSPA Lane Co. Seminar	34,117	0	34,117	68,233	CE and exhibit Program in Eugene in Feb. Demographics: Rph w/ more yrs of service. 50% of Net profit will roll-up to OPA Finances
4,678	0	4,678	OSPA Spring CE Seminar	0	0	0	0	Procrastinators days offering CE on one day in PDX metro area= Align with OR BOP Bi-Annually licensure
8,887	0	8,887	OSPA Immunization Training	0	0	0	0	APhA Certificate offered once a yr in the spring and PRN. May not be offered every year under merge. To be conservative, not

								included in proposed budget.
4,388	0	4,388	OSPA Diabetes Certification Program Income	0	0	0	0	APhA Certificate offered randomly and in alignment with annual convention. May not be offered every year under merge. To be conservative, not included in proposed budget.
7,733	0	7,733	OSPA MTM Education Program Income	0	0	7,733	7,733	APhA Certificate offered randomly and in alignment with annual convention. Will include in proposed budget.
11,325	0	11,325	OSPA LP Cardio Program Income	0	0	0	0	APhA Certificate offered randomly and in alignment with annual convention. May not be offered every year under merge. To be conservative, not included in proposed budget.
	1,073	1,073	OSHP Legislative Activity Donations	0	0	0	0	
57,462	53,726	111,188	OPA Annual Convention (OSHP Fall Seminar and OSPA Annual Convention)	0	0	92,010	92,010	Sum of 90% OSPA Annual convention and 75% of OSHP seminar (net 17.2% reduction)
960		960	3340 · Education / Meetings - General	0	0	960	960	All other mtgs: Small mtg i.e Ski and CE
2,011	0	2,011	3380 · Job Posting - Revenue Share	0	0	2,011	2,011	OSPA website-Career Center employer posting managed by yourmembership.com. Cost is \$0.00 to OSPA

1,000	2,813	3,813	Technician Certification Revenue Share	0	0	3,813	3,813	Tech Certification. Promote w/ advertising on website. PTCB
24,224	3,193	27,418	Dividend Income	0	0	27,418	27,418	Dividend profit sharing
9,781		9,781	3383 · PMG-Revenue Share	0	0	9,781	9,781	Pharmacy Marketing Group-revenue by promoting Insurance products on OSPA website. (Pharmacist Mutual Company)
1,091	0	1,091	3384 - PQC -Revenue Share	0	0	1,091	1,091	Pharmacy Quality Commitment through NSPA-promotion on OSPA website
7,754	0	7,754	3387 · Vial Program - Revenue Share	0	0	7,754	7,754	Tri-State Distribution of prescription vials. Revenue sharing when Independent buying vials
817	0	817	3388 · Web Based Advertising Sales Income- Revenue Share	0	0	817	817	Banner Advertisement on OSPA website managed by MutliView. They handle all sales and posting of Ads. We provide leads.
30,752	0	30,752	3394 · Unrestricted Grant Income	0	0	30,752	30,752	Grants provided by McKesson \$30,000. unrestricted= companies does not specify how these \$ are spent on item or program.
116	0	116	3395 - Interest Income	0	0	116	116	Bank interest

								Income holding place not yet assigned. Remaining balance is due to unassigned income
2,355	900	3,255	3399 · Misc. Income	0	0	3,255	3,255	
290,035	231,449	521,484	Total Income	34,117	51,711	414,768	500,596	
Expense								
387	1,831	2,218	Membership Expense	0	0	2,218	2,218	OSPA: Disc/Complimentary Membership, Marketing and Office expense OSHP North & South Expenses
689	4,369	5,059	Membership Drive Expense	0	0	5,059	5,059	Disc. Membership used to drive membership
	24,519	24,519	OSHP Fall Seminar Expense	0	0	0	0	Discontinue with creation of OPA Convention in Fall
	68,120	68,120	OSHP Annual Seminar Expense		34,060	34,060	68,120	Hotel, Food, AV cost, Speaker Cost
48,206	0	48,206	OSPA Lane Co. Seminar Expense	24,103	0	24,103	48,206	Hotel, Food, AV cost, Speaker Cost
3,830	0	3,830	OSPA Spring CE Expense	0	0	3,830	3,830	Hotel, Food, AV cost, Speaker Cost
45,633			OSPA Annual Convention	0	0	0	0	Discontinue with creation of OPA Convention in Fall
0	0	0	OPA Convention	0	0	58,086	58,086	Assumes expenses of OSPA Annual Convention plus OSHP Fall Seminar @82.8%
0	562	562	Technician Chapter Expense	0	0	562	562	
	596	596	OSU Student Chapter Expense	0	0	596	596	

	562	562	Pacific Student Chapter Expense	0	0	562	562	
5,340	0	5,340	Immunization Training Expense	0	0	0	0	Not included in proposed budget. APHA Annually License fee is \$500 +\$125 per attendee+Speaker fee of \$500 per
2,110	0	2,110	Diabetes Certification Program Expense	0	0	0	0	Not included in proposed budget. APHA Annually License fee is \$500 +\$125 per attendee+Speaker fee of \$500per
6,004	0	6,004	MTM Program Expense	0	0	6,004	6,004	APHA Annually License fee is \$500 +\$125 per attendee+Speaker fee of \$500per
4,102	0	4,102	LP Cardio Program Expense	0	0	0	0	Not included in proposed budget. APHA Annually License fee is \$500 +\$125 per attendee+Speaker fee of \$500per
3,447	4,181	7,628	Volunteer Travel	0	0	7,628	7,628	OSPA: 1. Cover the fee for House of Delegates travel 2. \$1000 Students (OSU and PU) travel to Pt Safety Competition 3. President-elect to attend NASPA Leadership conference OSHP: ASHP Conference
1,135	0	1,135	Education / Mtgs - General - Expenses	0	0	1,135	1,135	CE and Ski expenses / Conference Call expenses
17,983	17,712	35,694	Lobbying	0	0	35,694	35,694	Lobbyist Expense
486		486	Legis/Reg Activities	0	0	486	486	Office Expenses

996	2,332	3,328	Board Expenses	0	0	4,992	4,992	Three Boards in merged organization. Increase expenses by 50%.
0	286	286	Committee / Council Expenses	0	0	286	286	OSHP: Membership, Educational, Professional Council
2,521	1,004	3,525	Insurance	0	0	3,525	3,525	Directors/Officer Liability and General Liability Insurance
1,852	142	1,994	Dues and Subscriptions	0	0	1,994	1,994	OSPA: NSPA and APhA OSHP: FOSHPP
50	0	50	Licenses & Fees	0	0	50	50	Corporate Registration with State of Oregon
690	489	1,179	Office Supplies	0	0	1,179	1,179	
878	1,026	1,904	Postage	0	0	1,904	1,904	USPS cost
1,441	1,684	3,124	Printing and Reproduction	0	0	3,124	3,124	General Copy service
1,412	1,093	2,505	Telephone	0	0	2,505	2,505	
2,973	2,918	5,891	Internet/Website Expense	0	0	2,945	2,945	OSPA website fee and Internet Service fee \$30/month reduced by 50%
1,003	420	1,423	Storage Rental	0		712	712	Storage Rental Fee \$35/month @ Update Mangement (OSPA: addition storage for RX artifacts) reduced by 50%
1,352	1,354	2,706	Newsletter Expenses	0	0	2,706	2,706	Newletter Expense for 2 academies
1,101	0	1,101	Staff Attendance at Conference	0	0	1,101	1,101	OSPA: Travel expense for Update Management to NASPA Leadership Conference.

								Previous years included APHA Annual convention.
121,932	80,092	202,024	Management Fees	0	0	151,518	151,518	Update Management Fee x 75% (Save about 25%)
4,113	5,136	9,249	Bank/Merchant/Late Fees	0	0	6,937	6,937	Bank fee based on # of transactions. Reduced by 25%
998	833	1,832	Professional Fees	0	0	916	916	Accountant Fees for Annual Tax filings reduced by 50%
1,500	0	1,500	PMG Endorsement Expenses	0	0	1,500	1,500	OSPA Expense for complimentary exhibits at Annual Convention and Lane Co.
225	0	225	Marketing/Public Relations	0	0	225	225	OSPA had exhibits at events including other promotional cost
6,879	56	6,935	Taxes - UBIT / Property	0	0	6,935	6,935	Unrelated Business Income Tax= Taxes on income derived from marketing and other business partnerships like PMG, Web Advertising, PACE.
1,518	532	2,050	Bad Debt	0	0	2,050	2,050	
290,071	221,847	511,918	Total Expense	24,103	34,060	377,125	435,289	
-36	9,602	9,566	Net Ordinary Income	10,014	17,651	37,642	65,307	
0%	4%	2%	Gross Profit Margin	42%	52%	10%	15%	
Assets								
Current Assets								
94,745	86,551	181,296	1000 Checking	39,203	86,551	55,542	181,296	\$100,000 investment from OSHP and

								OSPA (in combination with money market/investment acct)
6,245	0	6,245	1002 OVIP Savings	6,245			6,245	OR Vet in Pharmacy (Managed by OSPA Only)
44,458	183,821	228,279	1005- Money Market / Investment Acct	0	83,821	144,458	228,279	\$100,000 investment from OSHP and OSPA (in combination with checking)
0	52,604	52,604	1006- Scholarship Acct		52,604		52,604	
			Other Current Assets					
35	0	35	1035 MyFax Accounts	35			35	
2,490	3,910	6,400	1210 A/R- Member Clicks	2,490	3,910		6,400	
Other Current Assets								
23,405	0	23,405	Investment in PACE Alliance	23,405			23,405	OSPA owns stock in PACE alliance independent RX buying group and receives profit sharing
5,000	0	5,000	Investment in PMG	5,000			5,000	Pharmacy Marketing Group- revenue by promoting Insurance products on OSPA website. (Pharmacist Mutual Company)
176,378	326,886	503,264	Total Assets	76,378	226,886	200,000	503,264	
Equity								
26,127	0	26,127	1984- OSPA Gerding Education Fund	26,127		0	26,127	Funds remaining from the debanding of

								OSCP (OR Society of Community RPh). Fund helps support higher level educational events for RPh member.
5,675	0	5,675	1985- OR Veterans in Pharmacy Fund	5,675		0	5,675	Fund is managed by OSPA to go towards expense to LOS awards/certificate /plaques, and expense surrounding VIP & OSPA Past president Dinner during Annual convention. No host dinner.
0	52,577	52,577	1500- Scholarship Fund		52,577	0	52,577	
78,386	228,106	306,492	1999- Retained Earnings	78,386	228,106	0	306,492	

Membership Summary				
	Total	Membership Fee		Total
RPh	603	\$175		\$105,525
Student	518	\$50		\$25,900
Tech	50	\$25		\$1,250
Associate	22	\$175		\$3,850
Total	1193			\$136,525