

# ENSURING FISCAL RESPONSIBILITY AND STAFF ACCOUNTABILITY IN ADA OPERATIONS

Dear Colleagues and Delegates,

This resolution enacts new transparency and oversight requirements for ADA executive compensation, consulting contracts, and non-dues expenditures. It ensures that member funds are not used for excessive salaries, unmonitored consultants, or self-dealing arrangements without House visibility and ethical review.

**Purpose:** To establish clear, enforceable guidelines for ADA financial conduct and to ensure fiduciary responsibility on behalf of the membership.

## **What This Resolution Does:**

- Requires ADA to publish annual reports on executive salaries, outside consulting fees, and sponsorship agreements.
- Mandates that ADA staff and vendors disclose potential conflicts of interest—including business relationships, speaking fees, and payments from sponsors or industry groups.
- Aligns ADA operations with nonprofit best practices and IRS expectations for financial disclosure and governance.

## **Why Support It:**

- Delegates and members deserve to know how their dues are spent—including non-dues income and vendor payments.
- Lack of transparency creates risk for the ADA's reputation and nonprofit standing.
- This resolution protects the organization and its leadership by implementing clear reporting expectations.

## **Key Points:**

- ADA shall not authorize consulting or speaking engagements involving paid ADA staff unless disclosed and reviewed.
- Staff must disclose all financial relationships relevant to their ADA role.
- These reforms restore integrity, protect against misuse of funds, and uphold public trust.

**Fiscal integrity builds member trust. Support this resolution.**

Resolution No. [Resolution Number] [Type]

Report: Resolution on Fiscal Responsibility and Modernization of ADA Governance Operations Date Submitted: 04/04/2025

Submitted By: Steven Saxe, DMD

Reference Committee: A (Business, Membership and Administrative Matters)

Total Net Financial Implication: [Total Net Financial Impl.] Net Dues Impact:

Amount One-time: Amount On-going:

ADA Strategic Forecast Outcome: Tripartite: Promote Tripartite stability, success, and future growth.

**[TIT RESOLUTION ON FISCAL RESPONSIBILITY AND MODERNIZATION OF ADA GOVERNANCE OPERATIONS]**

The American Dental Association (ADA), as a nonprofit membership organization and fiduciary steward of member dues, has an ethical and strategic obligation to ensure that all governance-related expenditures are necessary, transparent, and aligned with its mission. The ADA Strategic Plan outlines financial sustainability as a core goal, and the *Principles of Ethics and Code of Professional Conduct* call for responsible resource use, justice, and stewardship. The ADA House of Delegates—its legislative body—has the authority and responsibility to examine how governance activities are conducted and whether the structure and culture of those activities meet the expectations of today’s membership [1][2][5].

In recent years, there has been a growing concern among ADA members about the high and increasing costs associated with governance travel, especially retreats, council meetings, and the annual House of Delegates session. Numerous examples exist of three-day retreats convened for as little as one to two hours of formal business. These meetings often take place in high-cost venues or tourism-heavy destinations without clear justification tied to governance outcomes. Even when meetings are held in Chicago, required air travel, hotel bookings, and staff hours create substantial recurring expenses—often for business that could be handled via Zoom [3].

The COVID-19 pandemic demonstrated that remote governance is not only possible but in many cases more inclusive and efficient. Other national organizations—such as the American Medical Association, American Bar Association, and American Academy of Family Physicians—have embraced hybrid and remote-first policies, zone-based meetings, and cost-saving strategies that increase member access and reduce financial waste [7][8]. These strategies are now considered best practices in nonprofit governance [6].

At the same time, concerns have been raised about the equity and efficiency of current ADA delegate representation. Some states are allocated large numbers of delegates despite limited participation in voting, resolutions, or floor activity. A data-driven “census” of delegate

engagement is needed to determine whether the apportionment formula remains aligned with actual contributions and member demographics [4].

This resolution does not seek to eliminate all in-person interaction. Face-to-face collaboration is valuable in some contexts. However, it must be the exception—not the default—and must be justified by a clearly defined purpose and cost-benefit analysis. The ADA must shift to a governance culture that reflects modern values: efficiency, accountability, equity, and respect for the member dues that make its work possible.

## References

- [1] *ADA Strategic Plan: Common Ground 2025*
- [2] *Governance and Organizational Manual of the American Dental Association*
- [3] *2024 Manual of the House of Delegates and Supplemental Information*
- [4] *2024 Constitution and Bylaws of the American Dental Association*
- [5] *2025 ADA Principles of Ethics and Code of Professional Conduct*
- [6] *IRS Guidelines on Stewardship of Nonprofit Funds*
- [7] *Best Practices in Remote Governance – American Medical Association (2023)*
- [8] *Sustainability in Meetings – American Bar Association Operations Manual*

**Resolved**, that the American Dental Association establish a **Task Force on Governance Efficiency and Travel Oversight** to review five years of travel, retreat, and meeting-related expenditures; evaluate venue selection and the duration of meetings relative to governance output; and recommend cost-saving strategies based on best practices from comparable associations, with findings and implementation progress reported annually to the House of Delegates; and be it further

**Resolved**, that the ADA adopt a **remote-first policy** for all councils, committees, commissions, task forces, and Board meetings, utilizing Zoom or equivalent platforms as the default method of conducting business, and require that in-person gatherings be explicitly justified by cost-benefit analysis consistent with the ADA Strategic Plan and the values of environmental sustainability, member equity, and financial accountability; and be it further

**Resolved**, that the ADA expand equitable access and structural accountability by (1) requiring **hybrid participation and remote voting rights** across all levels of governance where feasible; (2) conducting a **delegate census and apportionment review** based on verified attendance and engagement data, with specific attention to states whose delegate counts appear disproportionate to participation levels; and (3) adopting standardized **travel policies and cost controls** that emphasize per diem enforcement, zone-based meeting models, and a “save-first” mindset to reduce the overall financial burden on member dues.