

Resolution No. [Resolution Number] [Type]

Report: [Report] Date Submitted: [Date Submitted]

Submitted By: [Submitted By]

Reference Committee: [Reference Committee for Worksheet]

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

Amount One-time: Amount On-going:

ADA Strategic Forecast Outcome: [Required]

[MISSION-BASED ACCOUNTING IMPLEMENTATION AND ACCOUNTABILITY]**Background:**

The House of Delegates is the governing and legislative body of the American Dental Association, responsible for establishing the mission, vision, and strategic direction of the organization (*2024 Manual of the House of Delegates and Supplemental Information*, p. 8). The ADA's official mission is "helping dentists succeed and supporting the advancement of the health of the public," as defined in *Common Ground 2025: ADA Strategic Plan* (p. 1).

In recent years, the ADA has undertaken costly and complex initiatives involving millions of dollars, such as the Salesforce-Fonteva membership platform and financial commitments to the Forsyth Institute. While these projects may support long-term goals, members and delegates have expressed concern about whether such spending advances the ADA's mission and delivers measurable results.

In the 2024 report to the House of Delegates, written by the previous ADA Treasurer, longstanding deficiencies in the Association's financial systems were documented, including an inability to track the true costs of programs or determine whether spending supported the mission. The report stated that the organization "focused on accounting for things like reams of paper, but not our mission," and that ADA leaders "didn't know" what specific programs cost or whether they advanced the Association's strategic goals (*2024 House of Delegates – Report of the Treasurer*, pp. 10–11). While initial steps toward mission-based accounting have been taken, full implementation remains incomplete and has not yet been formalized across the Association.

Given current financial constraints, a phased and strategic rollout is both appropriate and necessary. However, without formal policy and direction from the House of Delegates, efforts to expand mission-based accounting risk stalling or being deprioritized. A steady, department-by-department approach that begins now and builds toward full transparency and accountability is essential to strengthening member trust and long-term sustainability.

1 **Resolved**, that the American Dental Association adopt mission-based accounting as the official
2 budgeting and financial reporting framework of the Association, aligning all resource allocations with the
3 mission and strategic direction established by the House of Delegates; and be it further

4 **Resolved**, that the ADA incorporate program-specific cost and revenue reporting into internal budget
5 documents and financial summaries as implementation capacity grows, enabling stakeholders—including
6 the House of Delegates—to evaluate the financial and strategic impact of key initiatives; and be it further

7 **Resolved**, that the Board of Trustees shall begin implementing a mission-based accounting system in
8 phases, starting with selected departments or major program areas, and shall prioritize cost tracking,
9 alignment scoring, and transparency within existing resource capacity; and be it further

10 **Resolved**, that the Board of Trustees shall present to the House of Delegates by 2026 a detailed
11 implementation schedule with annual milestones, identifying which departments or functions will be
12 incorporated each year, to ensure full adoption across all ADA departments and subsidiaries by the 2028
13 House of Delegates; and be it further

14 **Resolved**, that the ADA assess and prioritize the financial and human resources necessary to support
15 this transition, including certified nonprofit financial expertise, and integrate implementation planning into
16 the Association's operational and strategic planning processes; and be it further

17 **Resolved**, that beginning in 2027, the Board of Trustees shall include with each proposed annual budget
18 a public summary detailing: (1) the percentage of spending allocated to mission-aligned programs, (2)
19 major programs and initiatives by total cost and strategic goal served, and (3) areas where cost
20 transparency is not yet achievable, with a plan to close those gaps.