

Resolution No. 214 NewReport: N/A Date Submitted: [Date Submitted]Submitted By: Dr. Steve Saxe, delegate, NevadaReference Committee: A (Business, Membership and Administrative Matters)Total Net Financial Implication: None Net Dues Impact: _____

Amount One-time: _____ Amount On-going: _____

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

Adoption of Mission-Based Accounting Framework**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](#).

In recent years, the ADA has allocated millions of dollars toward complex, long-term initiatives, including the Salesforce-Fonteva membership platform, financial agreements with external institutions such as the Forsyth Institute, and direct investments in early-stage technology startups. While these expenditures may support innovation or long-range strategic goals, they have also raised serious questions among delegates and members about oversight, transparency, and mission alignment. Several of these projects have lacked clearly defined performance metrics or program-specific financial reporting, making it difficult to determine whether they deliver meaningful value to members or advance the ADA's mission. Without a mission-based accounting system in place, the Association cannot fully track or communicate the strategic return on such investments.

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.

Resolution

Resolved, that the Board of Trustees is urged to adopt mission-based accounting as the official budgeting and financial reporting framework of the Association, and be it further

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

1 **Resolved**, that the Board of Trustees is urged to present to the House of Delegates by 2026 a
2 detailed implementation schedule with annual milestones, identifying which departments or functions
3 will be incorporated each year, to ensure full adoption across all ADA departments and subsidiaries
4 by the 2028 House of Delegates; and be it further

5 **Resolved**, that the Board of Trustees is urged to assess and prioritize the financial and human
6 resources necessary to support this transition, including certified nonprofit financial expertise, and
7 integrate implementation planning into the Association's operational and strategic planning
8 processes; and be it further

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

13

14

15