

N B C E 2024

Student Leadership Forum

Responsible Finance

Presented by:

Melissa Stockberger, CPA

NBCE Chief Financial Officer





NBCE – A 501(C)6 Nonprofit Organization



Despite how the name sounds, non-profit organizations are allowed to make a profit and must make a profit to be sustainable.



Making a profit is not our objective, but it is essential to the health of the organization.



Over the past four years, the COVID pandemic, rising interest rates, inflation, and an unstable economy have brought to light how important it is for non-profits to have sufficient reserves.

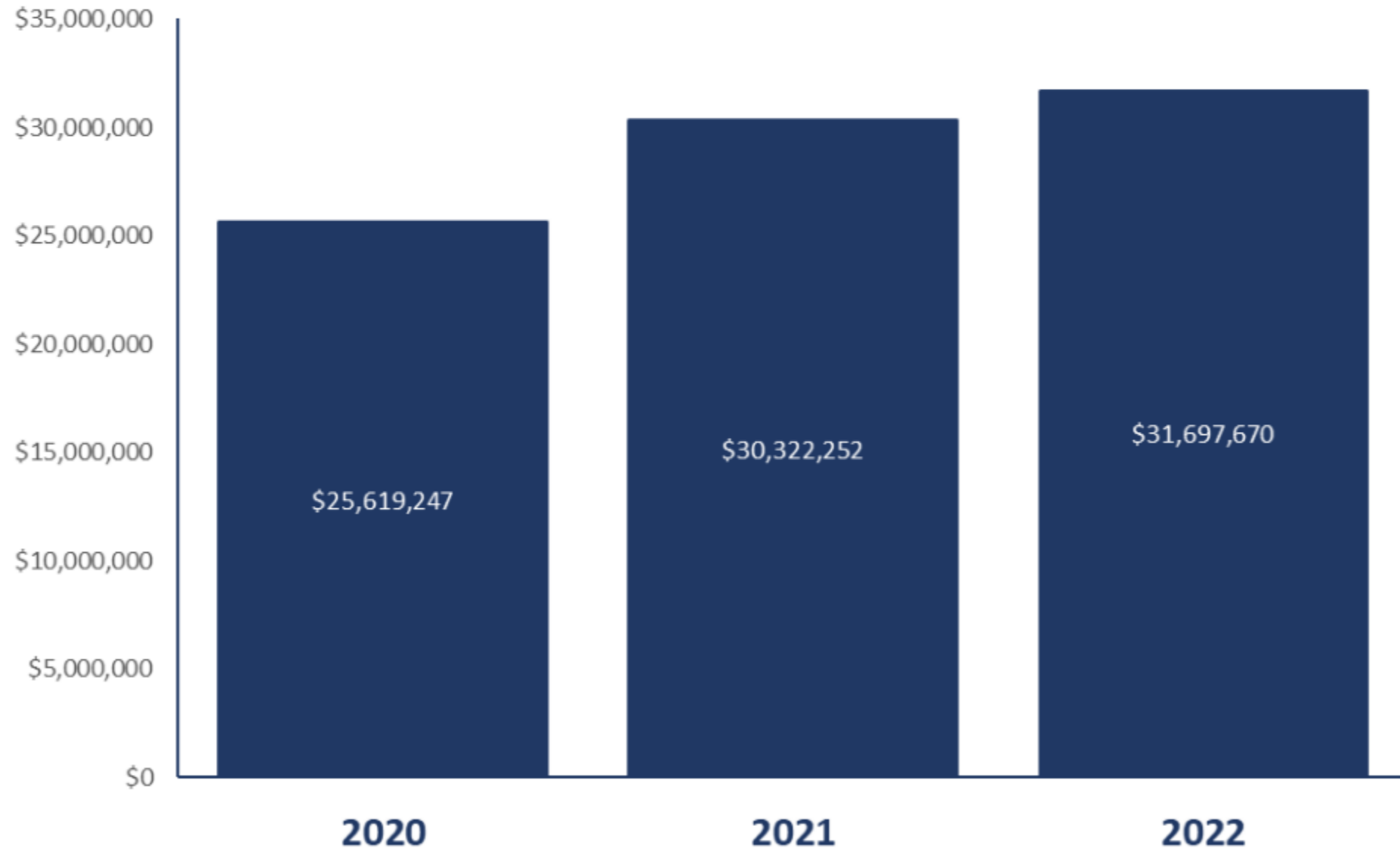


Building Our Reserve

Purpose:

To build and maintain an adequate level of financial reserves to support NBCE's day-to-day operations in the event of adverse financial events; to fund one-time, nonrecurring expenses with the intention of strengthening strategic or operational objectives; or, to make investments into research, development, innovation, or organizational growth.

NBCE RESERVE





Building Our Reserve

How?

1. 100% of Net Investment Income

2. Net Operating Income

- 2019 and prior
 - 8% of operating income
- 2020 and 2021
 - 50% of net operating income above \$250,000
- **2022 and Forward**
 - Amount determined by risk-based analysis



Four Reserve Buckets

Sustaining Fund

- To protect the NBCE in the event of uninsurable loss or litigation; to offset a loss of revenue from exam activities; or, to offset an operating loss on rental activities.

Infrastructure Fund

- To fund the repair, replacement, or expansion of critical technology or facility infrastructure.

Innovation Fund

- To fund initiatives requiring significant development or start-up costs.

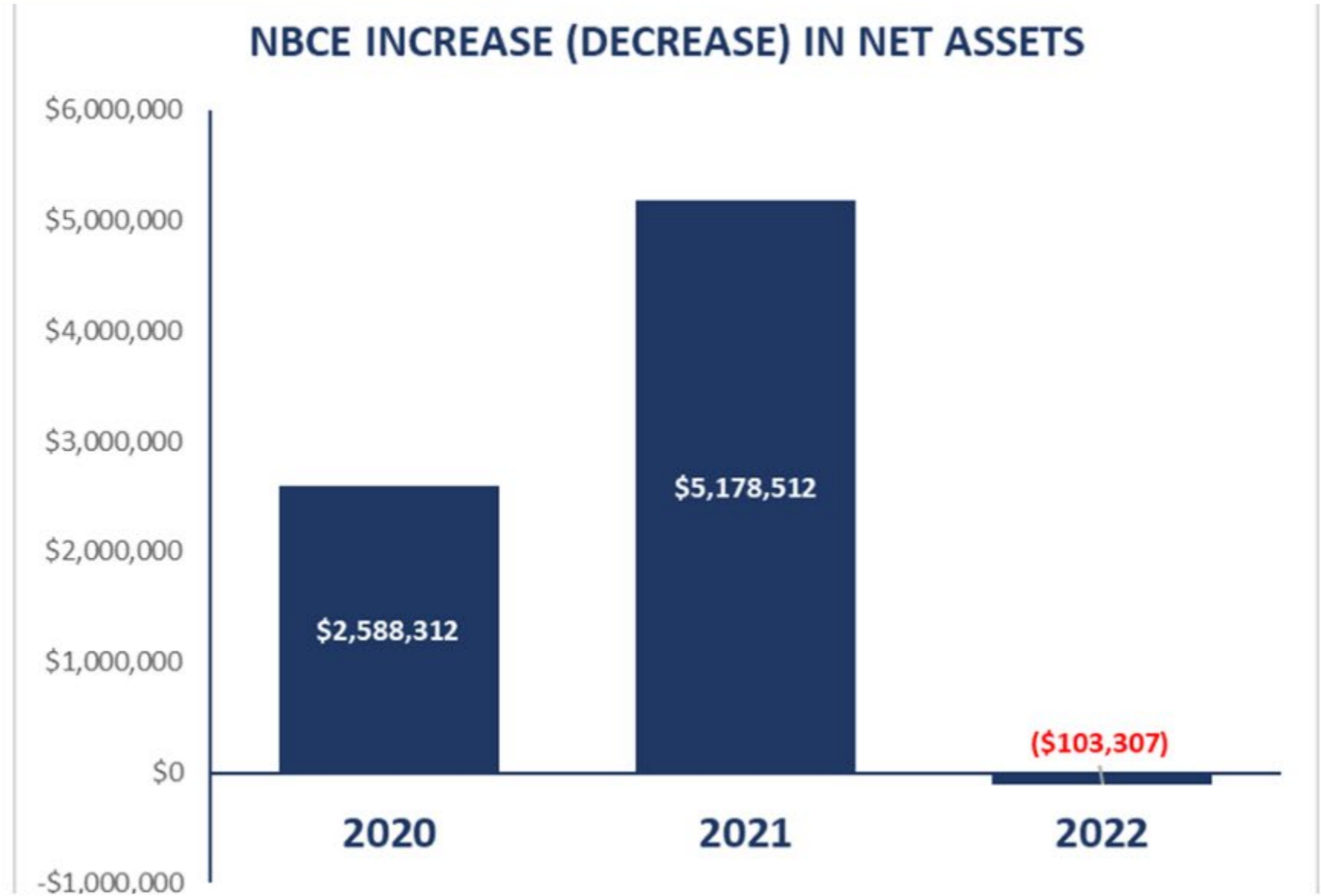
Financial Assistance Fund

- To provide financial support to the chiropractic profession.



Increase (Decrease) In Net Assets

The Bottom-Line





Revenues



Chiropractic Exam Revenues

- Based upon college enrollment and exam fees.

**The NBCE
derives its
revenues
from two
primary
sources**

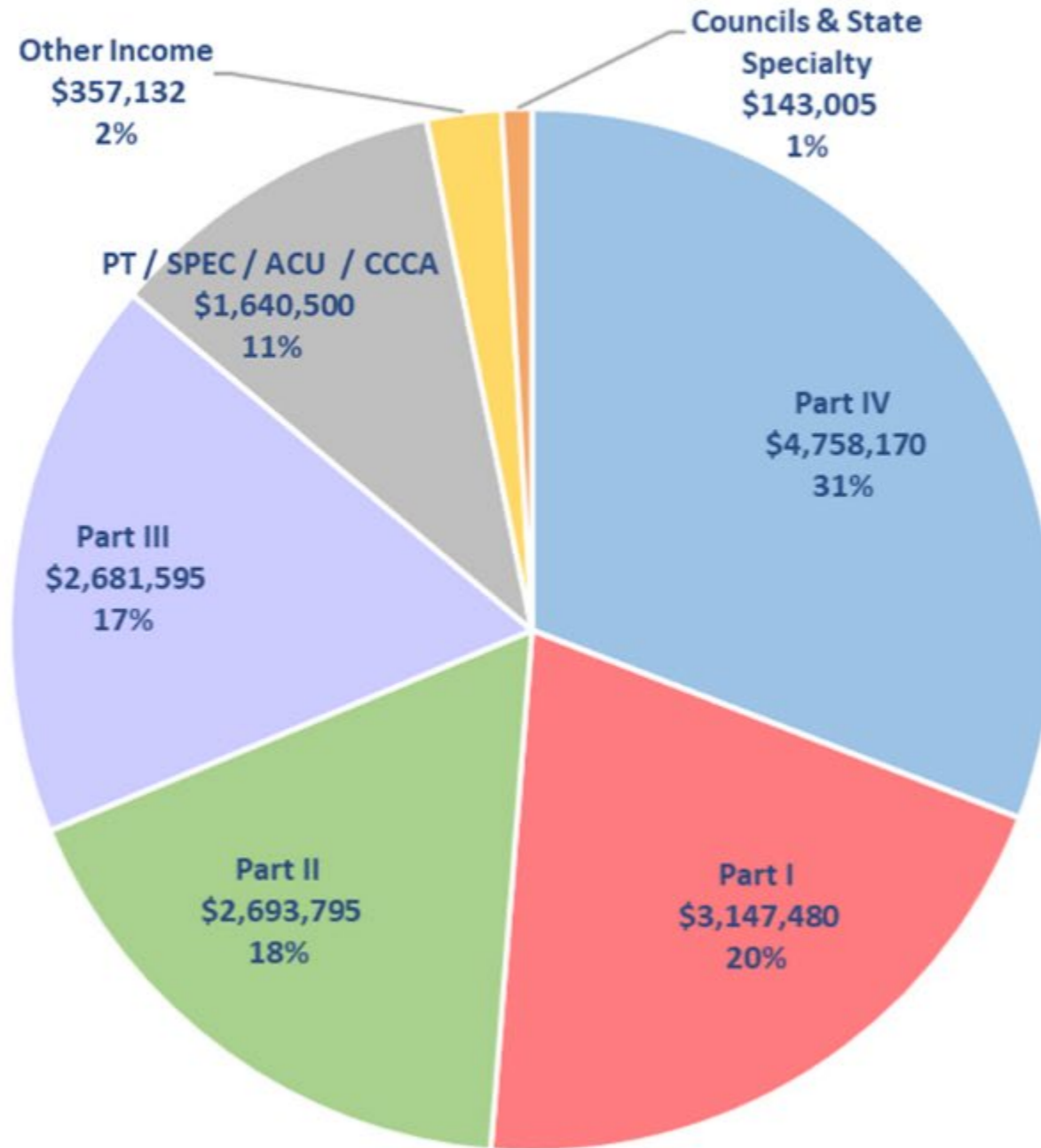


Investment Revenues

- Interest and gains earned on investments
- Used to build the reserve



2022 Operating Revenues



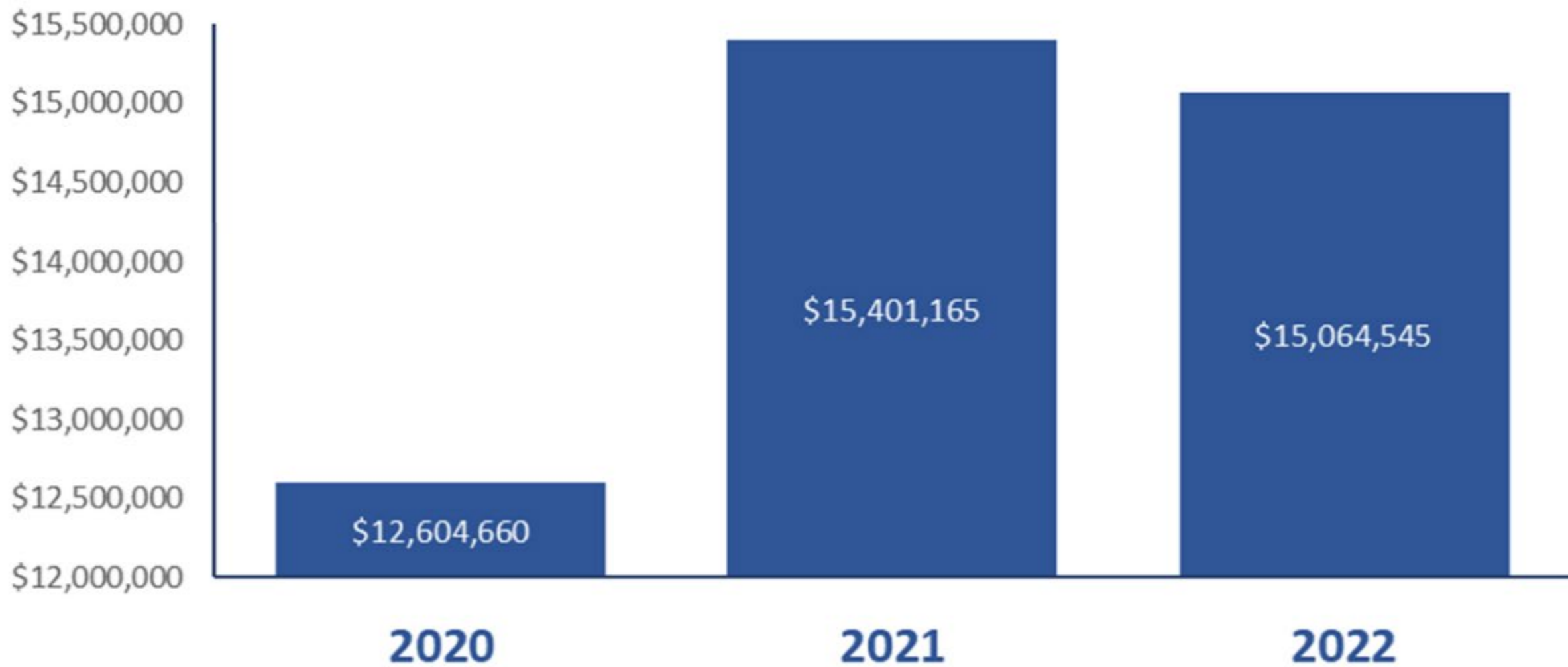
\$15,421,677

**\$975,875 decrease
from 2021**



Exam Revenues

NBCE Exam Revenue





Exam Fees

Budget driven - based on college enrollment and operating costs.

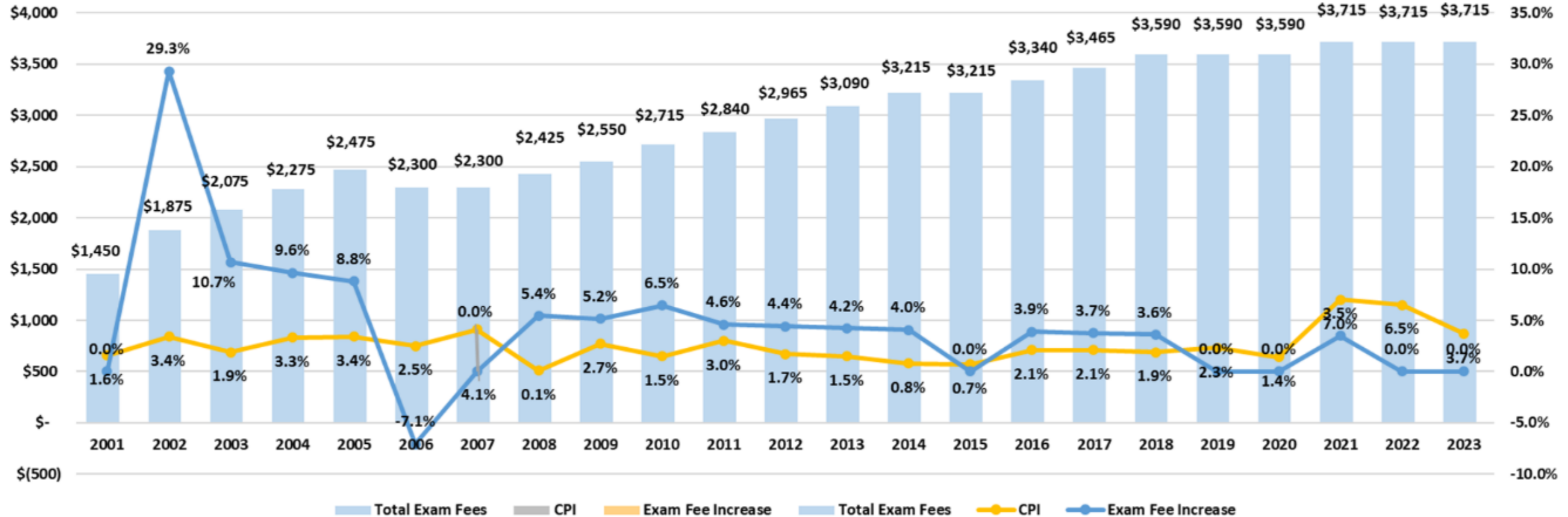
	<u>2018-2020</u>	<u>2021-2024</u>
Part I	\$685	\$710
Part II	\$685	\$710
Part III	\$685	\$710
Part IV	<u>\$1,535</u>	<u>\$1,585</u>
TOTAL	\$3,590	\$3,715





Exam Fee vs. CPI

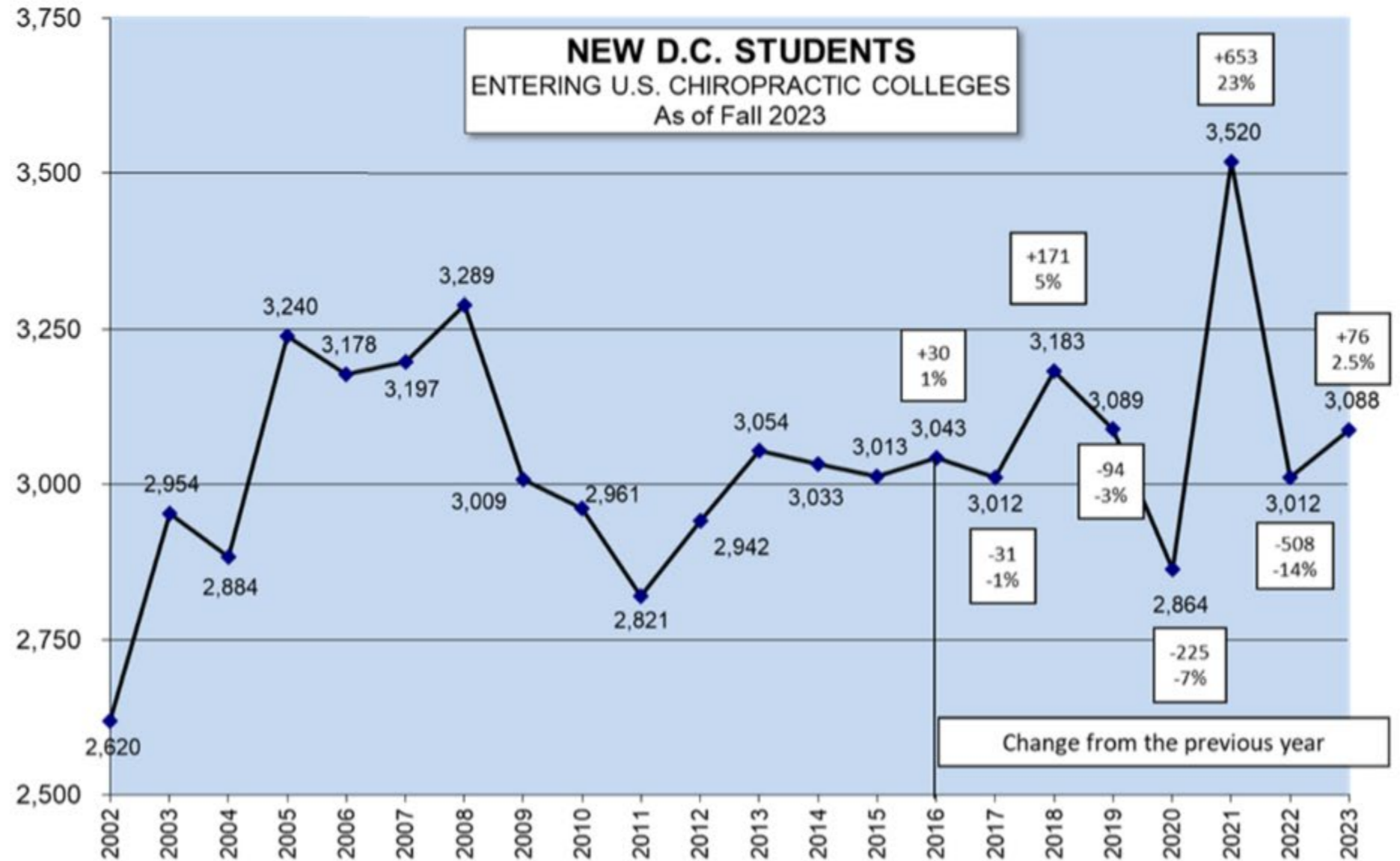
NBCE Exam Fee Increases Compared to Consumer Price Index



NBCE exam fees have increased, on average, 3.0% each year over the past 20 years. Over the past five years, exam fees have increased once. This was a 3.5% increase in 2021, which averages to a 0.7% increase over the past five years. The 20-year average CPI is 2.6% and the five-year average CPI is 4.2%.

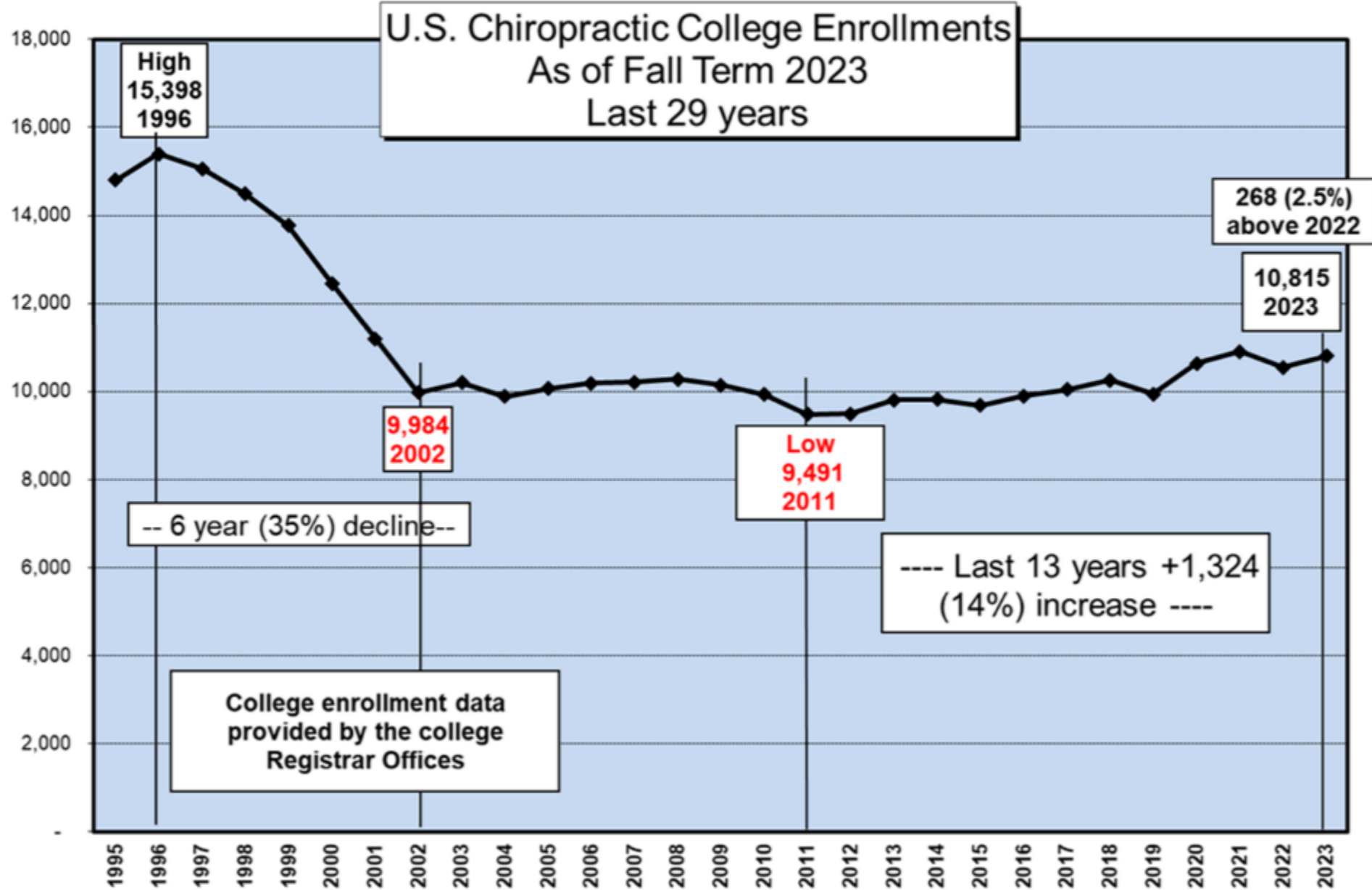


New D.C. Students





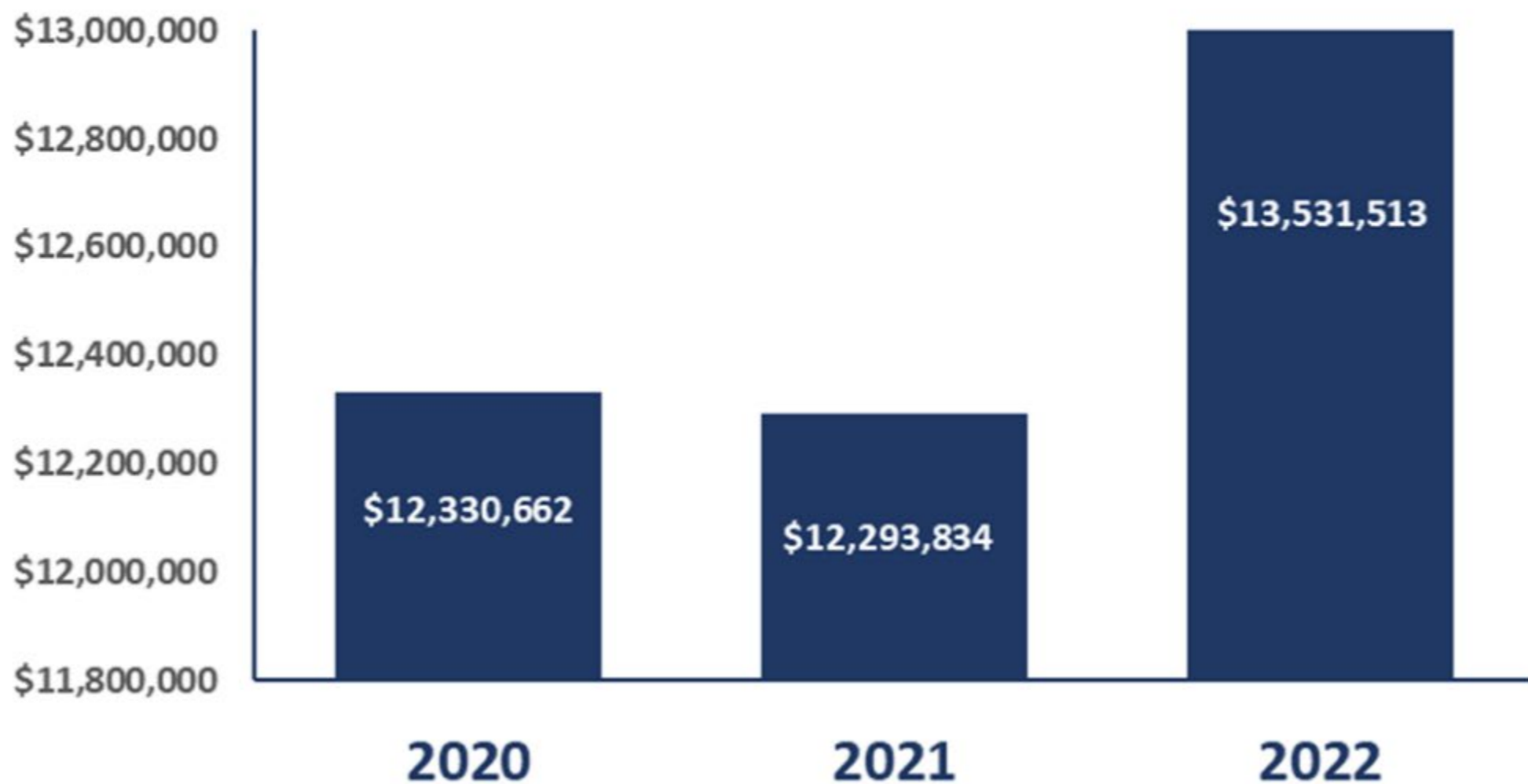
U.S. Chiropractic College Enrollments





Operating Expenses

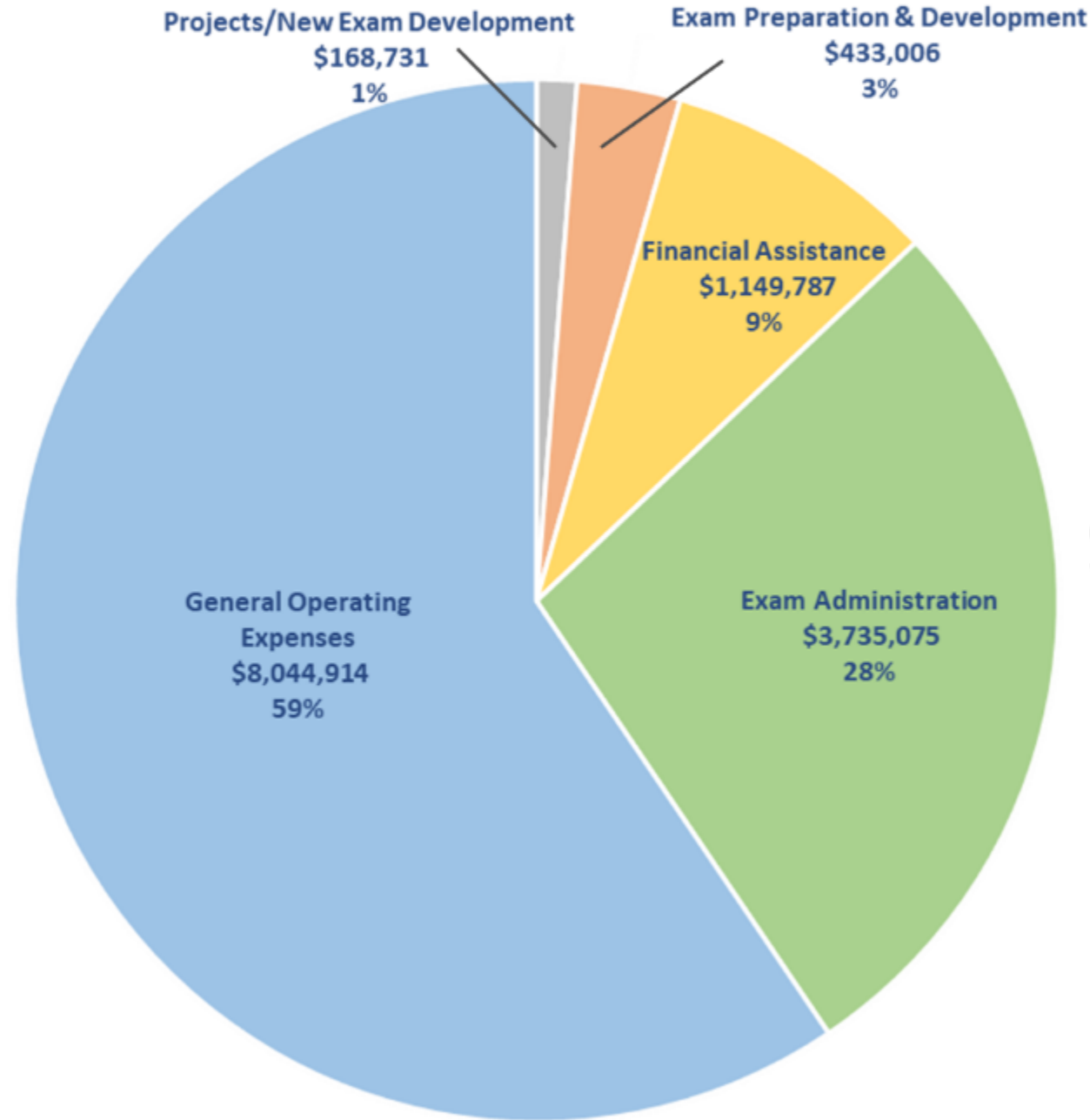
NBCE OPERATING EXPENSES





NBCE Expense Categories

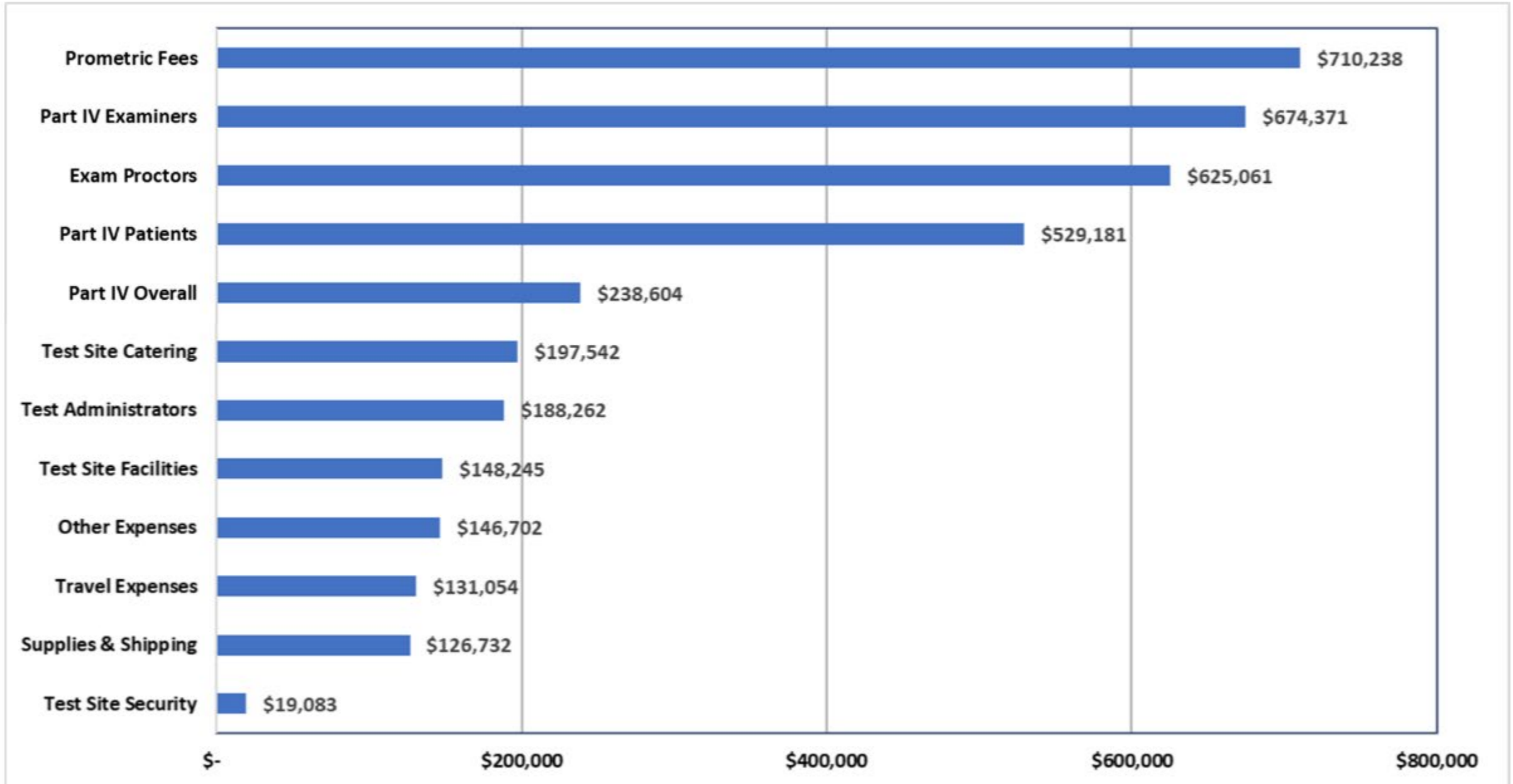
**2022
Operating
Expenses**



\$13,531,513



2022 DIRECT Exam Administration Costs





Contact us.....



PHONE

970.356.9100 x 124



EMAIL

mstockberger@nbce.org



ADDRESS

901 54th Avenue
Greeley, Colorado 80634



WEBSITE

mynbce.org