



About ABIM’s Form 990

The American Board of Internal Medicine (ABIM) is committed to transparency and ongoing, open dialogue with the internal medicine community. This outline provides additional information about various sections of ABIM’s 990, a document that the organization posts annually on its website.

Internal Revenue Service (IRS) Form 990 is an information return that must be filed by all tax-exempt, nonprofit organizations on an annual basis reporting revenue and expenses for each fiscal year. For more general questions about IRS Form 990, refer to the [IRS website](#).

ABIM’s most recent 990 reflects compensation paid for the preceding calendar year (January 2022 to December 2022) and financial activity for the most recently completed fiscal year (July 1, 2022, to June 30, 2023). For more information, read our “[Where Does the Money Go?](#)” page, along with the most recent audited, consolidated financial statements for ABIM and the ABIM Foundation.

The audited financial statements of ABIM and ABIM Foundation, reported on a consolidated basis, reveal that the organization has net assets in excess of \$103.7M as of June 30, 2023. Current assets are more than 3.3 times current liabilities. The combined cash and receivable balance equates to 79% of total liabilities and approximates 23 months of current year operating expense.

Topic	Where to look in ABIM’s 990
Balance Sheet	Part X
Compensation (Director, Officer and Employee)	Part VII and Schedule J
Compensation Review Process	Part VI, Section B, Line 15 and Schedule O
Conflict of Interest Policies	Part VI, Section B, Line 12a, b and c, and Schedule O
Deferred Revenue	Part X, Line 19
Expenses	Part I, Lines 13–18 and Part IX
Mission Statement	Part I, Line 1; Part III, Line 1 and Schedule O
Net Assets	Part XI, Line 10
Revenue	Part I, Lines 8–12 and Part VIII

Balance Sheet

Part X provides asset, liability and net asset balances as of the beginning of the fiscal year, July 1, 2022, and the end of the fiscal year, June 30, 2023. For more information, read our most recent [audited financials for ABIM and Affiliated Foundation](#) (pdf), which comprise the consolidated statements of financial position, activities and cash flow as of June 30, 2023 and 2022.



Compensation

Part VII lists compensation of officers, directors, trustees, key employees, highest compensated employees and highest compensated independent contractors. See also Schedule J: Compensation Information.

Compensation Review Process

For the Chief Executive Officer (CEO), total compensation is reviewed and set each year by the Executive Compensation Committee (ECC). The ECC's recommendation on CEO compensation must be approved by the full Board of Directors. The ECC engages an independent consultant to provide data gathered and updated roughly every three years on salaries paid to CEOs and executive level staff (e.g., Chief Operating Officer, Chief Financial Officer) at organizations comparable to ABIM. This assures that ABIM executive salaries, including the CEO, are comparable to and competitive with salaries paid at similar organizations and are not arbitrary or unreasonable. The compensation of other executive-level staff is set after recommendation by the CEO and then reviewed and approved by the ECC.

Because of these processes, we are confident that ABIM is following the best compensation practice for nonprofits and that salary and benefit packages at all levels of the organization are well within market ranges, allowing us to attract and retain professionals who have the skills needed to deliver relevant programs to approximately 250,000 physicians in 20 different medical specialties.

Read about ABIM's compensation review process in Schedule O.

Conflict of Interest Policies

Part VI contains questions and ABIM's responses regarding board, conflict of interest, whistleblower, document retention/destruction and other policies in place; the procedures it follows for establishing executive compensation; and how it makes its public documents available to the public.

A formal, written Conflict of Interest policy has been adopted and is reviewed periodically by the Conflict of Interest Committee, a subcommittee of the Governance Committee of the Board of Directors. All governance members must abide by both [financial and academic conflict of interest policies](#). ABIM staff is governed by a Conflict of Interest policy in the employee handbook, and executive staff is subject to annual disclosure of any potential conflicts.

Read more about ABIM's conflict of interest policies in Schedule O.

Deferred Revenue

The consolidated cash balance of ABIM and ABIM Foundation equates to 139% of deferred revenue liability balance as of June 30, 2023. Deferred revenue, also known as unearned revenue, refers to advance payments a company receives for services to be delivered or performed in the future. The prepayment received is recorded as a liability on the balance sheet. Deferred revenue is considered a liability because it refers to



revenue that has not been earned and represents services owed to a diplomate. As the service is delivered the liability is relieved and recognized as revenue on the income statement.

These are important metrics for ABIM since, until 2014, physicians were required to pay a one-time fee in advance for 10 years of services. This 10-year fee, which remains an option for physicians, means that millions of dollars in “deferred revenue” are included as a liability on the Balance Sheet (Part X) each year. A portion of the liability is considered short-term and will be earned as income within the next 12 months. The remaining portion of this liability is considered a long-term liability, which will be realized as income in future years beyond the next 12 months. Generally Accepted Accounting Principles (GAAP) require that ABIM realize the deferred portion of these fees over the period covered by the payment beyond 12 months; it cannot recognize the entire fee as income immediately upon receipt. For example, if a physician pays ABIM a 10-year fee, of which \$1,000 is considered deferred revenue to be amortized over 10 years, ABIM can include as revenue earned only \$100 per year for each of the next 10 years.

Expenses

Part IX provides details on ABIM’s expenses.

For more information, read our most recent [audited financials for ABIM and Affiliated Foundation](#) (pdf), which comprise the consolidated statements of financial position, activities and cash flow as of June 30, 2023 and 2022.

Mission Statement

Read more about ABIM’s mission, Initial Certification and Maintenance of Certification in Part III and Schedule O.

Net Assets

Part XI provides a reconciliation of net assets. For more information, read our most recent [audited financials for ABIM and Affiliated Foundation](#) (pdf), which comprise the consolidated statements of financial position, activities and cash flow as of June 30, 2023 and 2022.

Revenue

Part VIII provides details on ABIM’s revenue.

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