



Explanation of AOPA 2013 IRS Form 990

AOPA is fully compliant with all reporting requirements and our 990 filing is annually reviewed by an outside accounting firm. It is also AOPA's practice to publicly post a link to its annual 990 IRS returns on the AOPA website for review by AOPA members. View the returns at: [Governance](#).

Areas of Interest

Part I and Part VII– Summary and Compensation

AOPA's compensation practices are reviewed by an independent compensation consultant to ensure that our policies and practices are reasonable and comparable to organizations similar to AOPA. Ultimately, our goal is to attract and retain the talent we need to best serve our members. Therefore, our compensation and benefits structure is based on competitive market rates.

In 2013, AOPA experienced some restructuring to create long-term efficiencies. Those changes meant that AOPA Membership Publications, Inc. (AMPI), formerly a separate taxable subsidiary of AOPA, was merged with AOPA. These changes are reflected in several areas of the Form 990.

Highlights:

Part I includes total compensation for all AOPA employees, while Part VII focuses on compensation of key staff and independent contractors. Officers, directors and trustees (regardless of amount of compensation) must be listed in Section A of Part VII, as well as key employees and the organization's five highest compensated employees who received compensation of more than \$100,000.

- For 2013, compensation and benefits for AOPA's officers and key employees totaled: \$2,517,258, a reduction of \$984,699 over 2012.
- Other wages, salaries and benefits totaled \$13,251,218, with an increase of about \$6 million over 2012 – due mainly to the merger of AMPI.
- Total salaries and wages and employee benefits in 2013 were 48 percent of expenses. A 2011 survey of non-profit groups by GuideStar, an independent

- organization that gathers information on nonprofits, found that just 36 percent of non-profits use less than 50 percent of funds for operating expenses.
- Schedule J in 2013 included distributions from deferred compensation plans, severance and consulting agreements for former employees.

Part VIII – Statement of Revenue

Part VIII contains information about AOPA's ability to garner financial support and thus be able to continue its operations (i.e.: how much revenue is derived from membership dues versus other income, such as investment earnings).

Highlights:

- Total revenue was \$37,907,123 in 2013. Membership dues revenue was \$16,064,603, a drop of about \$150,000 compared with 2012.

Part IX – Statement of Functional Expenses

Part IX breaks down AOPA's total expenses between programs and management/general expenses.

Highlights:

- A large share of AOPA's expenses go to programs. In 2013, 89 percent of AOPA's expenses were spent on programs, compared to 87 percent in 2012. Just 10 percent of expenses went to management and general expenses in 2013, compared with 13 percent in 2012.

Part X – Balance Sheet

Part X demonstrates the financial health of AOPA and shows from one year to the next the change in net assets and fund balances.

Highlights

- For 2013, AOPA reported an increase in total assets of 3 percent, and an increase in liabilities of 11 percent.