



The AUA faced many unprecedented challenges since the declaration of the COVID-19 pandemic in March 2020 yet remains a strong and financially healthy. We began 2020 with great optimism for new collaborations and excitement for the programs and opportunities associated with the Washington DC annual meeting. Although regulatory restrictions required us to cancel the in-person meeting, the organization rapidly created innovative programs to meet the needs of members who were also facing challenges of their own. While the financial impact of canceling the annual meeting was potentially devastating, the organization reacted quickly and benefited from opportunities including Federal assistance programs, a new Line of Credit, and a cancellation insurance policy claim. These resources combined with cost reduction strategies allowed the AUA to reimburse registrations, industry sponsors and exhibitors, and meet other financial commitments.

The first eight months of 2021 have shown a marginal recovery and we are well positioned to transition the 2021 Annual Meeting to an all-virtual format. While we know that more financial challenges lie ahead of us, you should have confidence that the same leadership commitment that adapted to the uncertainties in 2020 will continue to strategically steward the AUA through this “new normal” of rapid change. The financial strength of the AUA will ensure that we will support all of you as you also weather these unprecedented times.

Financial Highlights

In 2020, operational revenues were significantly lower than previous years. The AUA's investment portfolios were not immune from the roller coaster activity affecting the financial markets. In addition, the cancelation of the 2020 Annual Meeting along with travel restrictions and cost containment yielded reductions in expenses. During the year, as a result of a claim under the AUAs event cancelation insurance, we received a partial settlement, with final settlement pending in 2021. As a result of these actions, the AUA achieved a \$1.3 million audited operational surplus. By the end of the year, investments had nearly recovered to pre-pandemic value as well. From a cash perspective, the insurance proceeds along with funds received under the Payroll Protection Program (PPP) and a new Line of Credit provided the cash needed to refund registrations, industry sponsorships and exhibits, and meet other commitments.

The full impact of the transition to a virtual meeting in 2021 is not yet known, however we do know that the dedication to fiscal discipline and responsibility of leadership will help the AUA endure. The PPP loan has been fully forgiven during 2021, converting it to a grant instead of debt, we have applied for and received additional financial relief through the Employee Retention Credit program, and we are anticipating additional funds from our insurance claim. These actions and the agility to respond to financial challenges will ensure the financial soundness of the AUA for many years to come.

Annual Audit

The Audit Sub-Committee met on April 23, 2021 with our independent auditors RSM to review the audited financial statements and auditors' communication letter for the combined AUA entities for the year ending December 31, 2020. These documents were presented to the AUA Board for approval at their May 14, 2021 meeting. The AUA has once again, received an unmodified audit opinion for the combined financial report, which means the financial statements are reasonable in all material respects and are in conformity with generally accepted accounting principles in the United States. The results of the audit will be shared with the membership during the September 13 Annual Business Meeting webinar.