

CHAIRMAN OF THE BOARD ANNUAL REPORT

July 3, 2010

I would be remiss if I do not seize this opportunity to personally thank all of those who have contributed their time, talent and treasures to this noble endeavor. It is because of the support of the Board members, as well as that of our donors that we were able to survive during this challenging time.

As always, the Mission and Vision of the Foundation , its existence to support and advance quality medical education and promote interest of alumni and non- alumni, to help the UERMMMC College of Medicine improve the facilities for teaching services and research which will improve the quality of medical students, physicians and medical care in the Philippines, have been central to our deliberations. Recognizing the vital importance of good governance in the operations of AFUSA , the Board of Trustees aimed to worked within the frame work of best practice. As in the past years, the BOT periodically review and makes changes which reflects circumstances and ways of improving the practices that were adopted. This includes:

I. FINANCIAL STATUS.

- Through the effort of our Treasurer, Dr. Elmer Gilo, for sometime now the financial records of the Foundation have been computerized for easy compliance with accounting and book-keeping requirements of a non- profit organization.

A. Financial and Budget Status and Progress Report

- AFUSA has adopted Five-Year Framework Budget. This is a fully funded project to ensure the continuation of the different programs. It is however revisited, reviewed, amended and re-adopted on an annual basis to make changes on issues we deemed necessary to be changed.

B. Financial Management:

- The AFUSA has an intact system in place to assist the BOT to make proper financial decisions and fulfill IRS requirements.

- The Foundation Treasurer along with the Accountant prepares

timely financial statements of the AFUSA financial position, activities and cash flows at the end of the year. This also includes recommendations for improvement in the financial operation of the Foundation.

C. Fund Raising Activity:

- Our new and dynamic Committee Chair, Dr. Ned Valen, member of class '66 along with its members has brought wealth of experience with new thoughts and ideas in Fundraising.

II GOVERNANCE:

A. Committee Structure:

- The Foundation has fourteen standing committees. Composed of the Chairperson and its members.

- The IRS believes that the Board should be composed of persons who are informed and active in overseeing a charity's operations and finances. Furthermore they recommend to adopt the following items:

1. Mission Statement -articulated charity purpose, what we hope to accomplish, and what activities to be undertaken.

2. ***Code of Ethics and Whistleblower policies.- the Board should consider adopting and regularly evaluate a code of ethics that describes behavior it wants to encourage and behavior it want to discourage

3. Due diligence

4. Duty of loyalty

5. Transparency

6. Fundraising policy

7. Financial Audits

8. Compensation Practices

9. Document Retention Policy

*** For more information see IRS Publication 4221, Compliance Guide for 501(c) (3) Tax- Exempt Organization, available on the IRS [website](#)

B. Leadership Workshop:

- In view of the perceived confusion and conflicts of the roles of the UERMMMCAAAA, Inc and AFUSA , it is a sincere desire of most Board leaders that we should pursue a Leadership workshop which will include an Orientation of up-coming leaders of both organization

C. Foundation Newsletter:

- Dr. Sam Piga, the current editor of the AFUSA Newsletter has done a tremendous job in creating a website for this purpose. He will present his own report to the Board.

D. Communication Process.

- Several years ago up to the recent past, the Foundation met on a traditional standard face to face inter-action. We were limited only to two face to face Board meeting a year- during the convention and mid-convention. We progressed to cyberspace meetings (Computer Conference). However with this manner of communication discussions and decisions, could only be finalized within 1-2 weeks due to delayed responses of Board members . The latest interactive communication was an Audio-Teleconference. We had it in February and October 2010 . Decisions of issues presented were acted upon immediately.

ON SITE VISIT OF THE MEDICAL CENTER: (February, 2010)

A. Round table conference covering different issues with:

- 1. Chairman Wilson Young**
- 2. President Romeo Divinagracia**
- 3. Dean Rettig Reyes**
- 4 Dr. Andy Borromeo**
- 5. Ms Iris Militar Comptroller**

B. Meeting with all of the Department Heads-Basic and Clinical

C. Tour of the Medical Center and the Hospital

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Chairman of the Board of Trustees

UERMMMCAAAA Alumni Foundation, U.S.A., Inc