
Nonprofit Societies Should Be Open to Scrutiny by Their Members and by the Press

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We live in a society in which public, private, and nonprofit institutions co-exist in a competitive environment. Ironically, in the world's most for-profit free enterprise society, nonprofit institutions abound. There is an endless variety of them recognized by our tax laws. Most nonprofits are tax-exempt. They range from religious to educational to professional societies. In exchange for this status, they must give up some of the privileges of being private or commercial. Public corporations, as distinct from privately owned enterprises, must disclose to their stockholders information on salaries and other compensation of their executives.

As implied recently in the Washington-based newsletter *Science & Government Report* (Dec. 15, 1989, page 1), professional societies have not always been completely forthcoming about compensation for their executives. In some cases, the only way journalists are able to obtain this information is to request IRS Form 990, which must be filed annually with the Internal Revenue Service. However, unlike requests under the Freedom of Information Act to government agencies,

requests for these forms are not routinely supplied by mail. Some nonprofits require that the journalist-researcher come to the headquarters to examine the document.

I believe that these practices reflect outdated attitudes. A positive change in this direction is the example set by the executive director of the American Chemical Society, who freely disclosed his salary to *Science & Government Report*. But several years ago I asked an ACS presidential candidate if he thought members of ACS should be routinely informed of executive salaries. He replied that public disclosure might inhibit salary negotiations when replacing staff members.

I've been a member of ACS for nearly 40 years. I believe my dues payments entitle me to knowledge of the governance of the society. I also believe that public disclosure of professional society compensation would provide young and aspiring scientists a broader career perspective than that which is confined to the laboratory. Scientists with Ph.D.'s today work in dozens of nonlaboratory situations.

I believe that the vast majority of those involved in running nonprofit organizations do a marvelous job—

often at great sacrifice. There ought to be special recognition for these people. Not only do they organize meetings, but also they often spawn and operate journals for the dissemination of information and for the professional advancement of their members. They also help to establish ethical and other standards. Often, they are an important link to government agencies like the National Institutes of Health and National Science Foundation, upon which their members depend for grant support.

As science grows, these societies will continue to thrive. However, their frequent involvement in clearly commercial activities will be increasingly scrutinized.

ACS is a case in point. It operates and owns *Chemical Abstracts*, a clearly commercial enterprise in competition with private enterprise.

It has also received huge government subsidies. Further, ACS and other large groups like the Federation of American Societies for Experimental Biology conduct annual meetings that produce revenue from commercial exhibitors. Journals like *JAMA* produce large revenues from advertising, as do *NEJM* and other state society medical journals.

It seems to me that all of us need to be reminded that in our pluralistic society, we have the freedom to choose from the many options available to all types of entrepreneurs in both the for-profit and nonprofit world. But neither choice justifies a "holier than thou" attitude in dealing with those who choose either path. While I am an unabashed supporter of scientific research, I also reserve the right to be responsibly critical of the science establishment. ■