

Results of Operations
FY 2016 - February 2016 Financials

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February 2016 Executive Summary

The financial results represent six months of activity, which were electronically issued to unit managers on March 23, 2016.

The following financial summaries highlight actual revenue and expense results as compared to the approved budget including highlights of key financial indicators.

The Management Group prepares a detailed analysis, which is submitted to Accounting for review and inclusion in this commentary.

This summary commentary represents the total ALA, the General Fund departments including: Publishing Services, Support Services, Communications/Member Relations, and Member Programs and Services, as well as the Round Tables, Divisions, Grants and Awards

I A. TOTAL ALA (ALL COMBINED FUNDS)

Statement of Revenues and Expenses

February 29, 2016

TOTAL ALA (ALL COMBINED FUNDS)	Year-To-Date	Year-To-Date	Year-To-Date	Prior Year	Difference FY16 - FY 15
	Actual February 29, 2016	Budget February 29, 2016	Variance February 29, 2016	Actual February 28, 2015	
Total Revenues	22,910,083	23,247,629	(337,546)	21,499,359	1,410,724
Total Expenses	24,925,920	25,310,831	384,911	22,435,467	(2,490,453)
Net Rev(Exp)	(2,015,837)	(2,063,202)	47,365	(936,108)	(1,079,729)

Revenue

Total ALA revenues for the 6 month period ending February 29th of \$22.9M are slightly less (1%) than the projected amount for the period of \$23.2M. Favorable variances in Grant and Endowment Fund revenues offset unfavorable variances in General Fund and Division revenues.

Expenses

Total ALA expenses for the 6 month period of \$24.9M are less (2%) than the amounts projected for the period of \$25.3M, thus offsetting the revenue differences above.

Net Revenue and Expenses from Operations

Actual net expense (or excess of expenses over revenues) of \$2.0M for the first 6 months of FY 2016 was roughly equal to the projected net expense for the period of \$2.0M.

REVENUES BY FUND	Year-To-Date Actual February 29, 2016	Year-To-Date Budget February 29, 2016	Year-To-Date Variance February 29, 2016	Prior Year Actual February 28, 2015	Change FY16 - FY 15
General Fund	12,359,565	13,253,127	(893,562)	12,313,261	46,304
Division	6,432,197	6,800,784	(368,587)	5,449,252	982,945
Round Table	201,354	191,324	10,030	185,072	16,282
Grants and Awards	3,173,875	2,745,008	428,867	2,547,938	625,937
Long-Term Investment	743,092	257,386	485,706	1,003,835	(260,743)
Total Revenues	22,910,083	23,247,629	(337,546)	21,499,358	1,410,725

EXPENSES BY FUND	Year-To-Date Actual February 29, 2016	Year-To-Date Budget February 29, 2016	Year-To-Date Variance February 29, 2016	Prior Year Actual February 28, 2015	Change FY16 - FY 15
General Fund	14,172,408	14,203,756	31,348	13,553,471	(618,937)
Division	6,973,920	7,754,714	780,794	5,915,935	(1,057,985)
Round Table	106,126	137,417	31,291	59,754	(46,372)
Plant Fund		(10,332)			
Grants and Awards	3,173,875	2,745,008	(428,867)	2,555,157	(618,718)
Long-Term Investment	499,591	480,268	(19,323)	351,151	(148,440)
Total Expenses	24,925,920	25,310,831	395,243	22,435,468	(2,490,452)

NET REVENUES(EXPENSES)	Year-To-Date Actual February 29, 2016	Year-To-Date Budget February 29, 2016	Year-To-Date Variance February 29, 2016	Prior Year Actual February 28, 2015	Change FY16 - FY 15
General Fund	(1,812,843)	(950,629)	(862,214)	(1,240,210)	(572,633)
Division	(541,723)	(953,930)	412,207	(466,683)	(75,040)
Round Table	95,228	53,907	41,321	125,318	(30,090)
Grants and Awards	0	0	0	(7,219)	7,219
Long-Term Investment	243,501	(222,882)	466,383	652,684	(409,183)
Total Net Revenues(Expenses)	(2,015,837)	(2,073,534)	57,697	(936,110)	(1,079,727)

**I B. TOTAL ALA
STATEMENT OF FINANCIAL POSITION
February 29, 2016**

TOTAL ALA	February 29, 2016	February 28, 2015	Change	Change %
Total Assets	\$74,877,900	\$85,309,001	(\$10,431,101)	-12.2%
Total Liabilities	\$48,025,584	\$46,902,112	\$1,123,472	2.4%
Net Assets	\$26,852,316	\$38,406,889	(\$11,554,573)	-30.1%

Total Assets

Total assets of the ALA of \$74.9M were 12.2% lower than the same month in the 2015. Cash was lower due to a \$2.8M paydown of the Chase loan, which was one of the terms of the July refinancing transaction. The value of ALA's Investments (ALA's Endowment) was also lower than its value in the same month last year due to market losses.

Total Liabilities

Total ALA liabilities increased slightly (2.4%) from the same month prior year primarily due to the increase in the Post-Retirement Health Care Obligation (classified here as Accrued Payroll Expense), which offset the decrease in debt which was part of the refinancing terms with ALA's lender, JP Morgan Chase. Deferred revenues from grants were also lower than at the same time last year.

ASSETS	February 29, 2016	February 28, 2015	Change	Change %
Cash	1,476,576	5,287,674	(3,811,098)	-72.1%
Short-Term Investment	14,517,100	14,857,537	(340,437)	-2.3%
Accounts Receivable, Net	3,605,422	3,101,333	504,089	16.3%
Grants Receivable	798,830	796,986	1,844	0.2%
Inventories, Net	1,579,529	1,888,888	(309,359)	-16.4%
Prepaid Expenses	1,379,234	1,505,034	(125,800)	-8.4%
APA Receivable	105,000	170,000	(65,000)	-38.2%
Goodwill	1,826,567	1,826,567	0	0.0%
Intangible Assets, Net	1,651,894	2,021,206	(369,312)	-18.3%
Fixed Assets, Net	11,509,966	12,020,245	(510,279)	-4.2%
Long-Term Investment	36,429,154	41,834,903	(5,405,749)	-12.9%
Due To/From	(1,373)	(1,373)	0	0.0%
Total Assets	74,877,899	85,309,000	(10,431,101)	-12.2%

LIABILITIES	February 29, 2016	February 28, 2015	Change	Change %
Current Portion, L-T Debt	1,547,744	700,809	846,935	120.9%
Accounts Payable	2,777,344	3,421,460	(644,116)	-18.8%
Accrued Payroll	21,756,481	16,846,178	4,910,303	29.1%
Deferred Membership	4,585,342	4,461,702	123,640	2.8%
Deferred Subscriptions	2,832,565	2,927,433	(94,868)	-3.2%
Deferred Conferences	6,426,514	6,103,350	323,164	5.3%
Grants and Awards	3,569,989	4,103,969	(533,980)	-13.0%
Long-Term Debts	4,529,604	8,337,210	(3,807,606)	-45.7%
Total Liabilities	48,025,583	46,902,111	1,123,472	2.4%

FUND BALANCE	26,852,316	38,406,889	(11,554,573)	-30.1%
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TOTAL LIAB./FUND BAL	74,877,899	85,309,000	(10,431,101)	-12.2%
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II A General Fund
Statement of Revenues and Expenses by Department
February 29, 2016

REVENUES	Year-To-Date Actual	Year-To-Date Budget	Year-To-Date Variance	Variance %	Prior Year Actual	Change FY16 - FY15
Publishing Services	5,906,838	6,449,952	(543,114)	-8.4%	6,323,629	(416,791)
Member Programs & Services	2,930,246	3,211,521	(281,275)	-8.8%	2,852,088	78,158
Communications	2,784,792	2,817,700	(32,908)	-1.2%	2,717,528	67,264
Interest Income	683,000	695,254	(12,254)	-1.8%	386,219	296,781
Mail List Sales	35,683	54,700	(19,017)	-34.8%	16,710	18,973
Executive Office	19,003	24,000	(4,997)	-20.8%	17,087	1,916
Total Revenues	12,359,562	13,253,127	(893,565)	-6.7%	12,313,261	46,301

REVENUES

Total General Fund

Total General Fund revenues are \$894k less than budget.

Publishing

Publishing department includes ALA Editions, Neal Schuman, TechSource, Digital Reference, Graphics, Booklist, and American Libraries. Publishing revenues are \$543k less than budget due primarily to lower book sales, higher return of books, lower subscription, offset by higher advertising revenue. The Subscription Equivalent in American Libraries is \$35k lower than budget. Net revenue is \$418k below budget but has generated \$197k in Net Revenue, after overhead contribution to the General Fund.

MPS

MPS includes Conference Services, ITTS, Office for Human Resources Development, OIF, OA, and Diversity. MPS revenues are \$281k less than budget. Midwinter registration revenue is \$208,914 less than budget.

Advocacy and Member Relations (formerly Communications):

Advocacy and Member Relations include Communications, AED, Library, ORS, IRO, PIO, Public Programs, Office for Library Advocacy, Membership Services, and Chapter Relations/Member Development. Revenue is \$32k less than budget due to lower dues revenue as of February 2016.

Interest income

Interest income is \$12,254 less than budget, \$296,781 more than February 2014.

Executive Office

Executive Office includes Executive Board, Washington Office, HR, Office of Information Technology, and OGR.

EXPENSES	Year-To-Date Actual	Year-To-Date Budget	Year-To-Date Variance	Variance %	Prior Year Actual	Change FY16 - FY15
Publishing Services	5,709,462	5,834,906	125,444	2.1%	5,970,136	260,674
Member Program and Services	5,572,370	5,679,419	107,049	1.9%	4,769,508	(802,862)
Communications	1,478,475	1,618,354	139,879	8.6%	1,456,972	(21,503)
Executive Office	2,299,459	2,367,712	68,253	2.9%	2,182,152	(117,307)
Finance/Accounting/Staff Supp	899,241	957,789	58,548	6.1%	913,946	14,705
Overhead Recovered	(2,620,830)	(2,878,750)	(257,920)	9.0%	(2,258,638)	362,192
General Administration	834,230	624,326	(209,904)	-33.6%	519,394	(314,836)
Total Expenses	14,172,407	14,203,756	31,349	0.2%	13,553,470	(618,937)
Operating Net Revenue	(1,812,845)	(950,629)	(862,216)		(1,240,209)	(572,636)

EXPENSES

Total General Fund expenses for the period were on budget, with a small \$31k favorable variance from projections. Lower expenses than budgeted in Publishing, MPS, AMR, Executive Office, and Finance and Accounting offset lower overhead recovered than projected (due to lower revenues than projected) as well as higher General Administration expense than projected. General Administration expense is higher than budgeted primarily due to higher legal and health insurance expenses than originally budgeted.

Operating Net Revenue

Operating net expense as of February 2016 of \$1.8M was higher than the budgeted net expense of \$951k by \$862k.

American Library Association

III. Department Commentaries

- Publishing Department Total Revenues are \$543,114 less than budget. Product sales are \$212,545 less than budget. Other Sales (e-learning, Booklist Online, mail list rentals, the ALA store, and misc.) are \$97,093 less than budget. Subscriptions are \$54,745 less than budget, net advertising is \$80,166 less than budget, Classified ads are \$47,683 less than budget, and licensing revenues (royalties) are \$56,330 less than budget. Direct operating expenses are \$54,582 less than budget. Overhead is \$105,521 less than budget. The Subscription Equivalent is \$34,659 better than budget. Net revenue is \$417,670 less than budget.
- ALA Editions Total Revenues are \$87,736 less than budget mainly because of allocation decisions. Prospects are improving but may end the year off target. Direct Expenses are \$166,140 more than budget due in part to delays in processing works in progress due to staff shortages and in part to ongoing transition charges for order processing/fulfillment. Net Revenues are \$239,951 less than budget. Operations will improve as open positions and restructuring get underway.
- Neal-Schuman Total Revenues are \$311,410 less than budget as with Editions in part because of allocation decisions. Distributed sales from Facet titles are \$22,488 less than budget, and licensing fees are \$16,903 less than budget. Direct Operating Expenses are \$20,697 more than budget. Overhead is \$82,991 less than budget. Net Revenue is \$249,117 less than budget. Prospects are improving. Rubin: Fundamentals of Library and Information Science came out in December and appears to have sold more in the first two months of this edition than it did in the first two months of its previous edition.
- ALA TechSource Total Revenues are \$65,931 less than budget mainly because of a shortfall in online learning revenue that too might be a factor of allocation decisions. Revenues were spread evenly over 12 months this year because the pattern from the previous year was not predictive, especially in the first quarter which included an one-time sale to San Jose State. In addition the timing of a course or webinar could easily fall into one month or another. In general though the normal patterns are typically even and so the spread was deemed as relevant as any other. However, in this increasingly active market, the variance is getting our attention. Direct Expenses are \$9,240 more than budget. Overhead is \$15,664 less than budget. Net Revenues are 14,530 less than budget.
- RDA Total Revenues are \$11,666 more than budget. Total Direct Expenses are \$29,362 more than budget mainly because hosting fees are running high. Likewise order processing/fulfillment charges from the international distributor are unexpectedly more than budget by \$1,850. Both items are under review. Net Revenues are \$20,717 less than budget.
- ALA Graphics Total Revenues are \$14,281 more than budget mainly because of a strong fall lineup that included new Star Wars posters and the re-issue of the David Bowie poster. Direct Expenses are \$13,181 less than budget. Net Revenues are \$23,763 than budget.
- Booklist Total Revenues for Booklist Publications are \$88,679 less than budget. Of that variance, approximately \$29,000 is advertising revenue for the November Book Links, which incorrectly posted in a defunct project and is not showing in Prophix. That factor will be corrected in December. However, there are still revenue

concerns. Subscriptions are running 5% less than budget and are likely to continue at that pace, which could generate a shortfall of about \$80,000 at yearend. Advertising is currently \$104,853 less than budget, but will improve in December by about \$50,000 (a strong month for print plus the “misplaced” Book Links November revenue). As advertisers’ FY15 contracts kick in in January, business will improve in all advertising areas. Royalties should finish about \$50,000 more than budget, due to strong performances by Baker & Taylor’s Publishers’ Alley product and the prospect of receiving delayed payments from Amazon and Follett. Total revenues could be slightly less than budget for the year (\$25,000 to \$50,000), but it’s still too early to say. Total Expenses before overhead are \$32,405 less than budget. Overhead is \$7,823 less than budget. Most of these savings result from salaries—retirements, resignations, delays in rehiring. Salary savings are likely to be \$35,000 for the year. Manufacturing expenses are currently running significantly more than budget, but that is the result of printing several inserts for advertisers (there were net gains on all these projects when ad revenue is set against increased printing, binding, and paper). Reduced pages and fewer copies printed will return total manufacturing to budget by yearend. Net Revenues are \$48,450 less than budget. Contribution margin is \$789,618 or \$56,274 less than budget. Correction of recording entries, improved sales, reduced manufacturing, and salary expenses will erase or nearly erase variances in both net revenue and contribution margin by year’s end.

- American Libraries American Libraries includes *American Libraries* magazine and digital editions, *AL Direct* newsletter, *AL Live*, marketing/advertising, and production. Total revenues are \$59,683 less than budget. Direct Operating Expenses are \$73,678 less than budget. Overhead is \$17,667 less than budget. The Subscription Equivalent is \$34,659 better than budget. Total Revenues are \$59,683 less than budget. Display advertising is \$13,745 less than budget and classified advertising is \$47,683 less than budget. Royalties, mainly licensing fees for the Buyer’s Guide, are \$3,139 more than budget. Direct operating expenses are \$73,678 less than budget. Payroll Related expenses are \$22,727 more than budget. AL filled an opens position and has not covered its attrition budget. Outside Services, mainly because of savings in professional services, are \$9,929 less than budget as a result of the addition to staff. Travel is \$14,586 less than budget but timing related. Publication Related expenses are \$8,203 less than budget mainly because Review Services could be covered by the addition to staff. Operating expenses are \$15,757 less than budget in part because a budgeted increase in postage was delayed. Indirect expenses are \$47,930 less than budget because the addition to staff reduced the need for reliance on Production Services. Overhead is \$17,667 less than budget. The Subscription Equivalent is \$34,659 better than budget.
- Production Services Production Services is a cost recovery unit and is temporarily \$70,554 behind in processing chargebacks. This will adjust to budget over time. All its expense categories are either on or less than budget.
- Reprographics Equipment expenses and leases are less than budget and as a result the unit is presently \$14,119 less than or better than budget.
- Projection More sophisticated analysis is indicating that book sales are tracking toward improvement over year to date, more so for Neal Schuman. Graphics product sales should meet budget. Growth in online learning (TechSource) may be peaking. Booklist ad sales and subscriptions are off to a slow start. American Libraries still looks good for budget and staff productivity is offsetting freelance options. RDA is growing international sales and now benefitting from diminishing amortization schedules. Production Services and Reprographics

are still on track to recover expenses. Total Revenues will likely miss budget but contribution margin will exceed.

Publishing Department Unit	Total Revenue Projection	Total Revenue Budget	Variance	Net Revenue Prjctn	Net Revenue Budget	Variance	Subs Equip Prjctn	Subs Equip Budget	Var
ALA Editions	\$1,849,234	\$2,001,204	(\$151,970)	(\$138,138)	\$47,791	(\$185,929)			
ALA Neal Schuman	\$1,775,514	\$1,775,514	\$0	(\$28,052)	(\$257,190)	\$229,138			
ALA TechSource	\$877,830	\$978,555	(\$100,725)	\$128,815	\$112,175	\$16,640			
Booklist	\$4,963,137	\$5,038,446	(\$75,309)	\$1,119,392	\$1,121,063	(\$1,671)			
American Libraries	\$893,499	\$893,499	\$0	\$0	\$0	\$0	(\$562,125)	(\$602,956)	\$40,831
Guide to Reference	\$10,000	\$10,000	\$0	(\$7,978)	(\$8,043)	\$65			
RDA	\$1,250,384	\$1,250,384	\$0	(\$60,866)	(\$69,026)	\$8,160			
ALA Graphics	\$965,208	\$951,750	\$13,458	\$71,732	\$53,133	\$18,599			
Production Services	\$0	\$0	\$0	\$71,418	\$43,284	\$28,134			
Reprographics	\$0	\$0	\$0	\$34,003	\$20,269	\$13,734			
						\$0			
Department	\$12,584,806	\$12,899,352	(\$314,546)	\$1,190,326	\$1,063,456	\$126,870			
Contribution Margin				\$3,887,734	\$3,800,707	\$87,027			

**FY2016 – 2nd Quarter Financial Report
ALA Member Programs & Services
31 March 2016**

Overview

At the end of the 2nd Quarter, FY2016 is showing decidedly mixed results – some successes and some struggles.

The 2016 Midwinter Meeting in Boston made a contribution margin (gross revenues minus expenses before overhead) of \$445,520, but was negative on the bottom line after overhead. There were revenue shortfalls in both registration and exhibit space sales, and increased expenses in areas such as wi-fi and AV.

While it is still very early for 2016 Annual Conference (Orlando) projections, registration is running behind the FY2015 (San Francisco) pace; exhibit space sales and advertising are close to the 2015 pace. The 2016 Annual Conference is budgeted to return \$1,613,433 in overhead and \$587,405 in net revenue to the ALA General Fund to support operations of the Association.

AASL completed a successful AASL National Conference in November, both programmatically and financially. The PLA Conference is upcoming (April 2016) and is on track to exceed budget targets while delivering strong programming.

Every Child Ready to Read, a joint program of ALSC and PLA, continues to be a strong performer, with revenues well ahead of budget.

Both the YALSA Symposium and LITA Forum performed well.

Webinars and e-courses are generally strong growth areas. Advertising is generally holding – and subscription revenues are generally declining. Overall, dues are relatively close to budget, with some shortfalls and some modest gains.

ALA Offices are showing a pattern of minor over and under expenditures – a mix of timing and turnover, with new Directors in two of four offices. ITTS has running slightly behind on expenditures, largely due to timing issues.

General Fund

Conference Services: ALA Midwinter Meeting (MW)

The Midwinter Meeting in Boston showed some strain, a combination of early scheduling, winter weather worries, and internal competitive pressure in an era of tight business budgets. As of February, the 2016 Midwinter Meeting contribution (gross revenues minus expenses before overhead) margin is \$445,520. Overhead is \$724,588 (against an original budget of \$769,890), leaving the 2016 in a negative position after overhead.

Looking at the specifics: There are no salary saving showing, though Conference Services has been carrying a vacant position since the beginning of the fiscal year; staff are trying to solve that mystery. The “Exhibits” expense is over budget, primarily related to unbudgeted expenses for the ALA Store, the Membership Lounge and Libraries Transform promotion. AV expenses are over budget, primarily due to the ALA Council setup in the hotel and overall labor expenses for AV setup related to the widespread of the hotel AV in Boston. The Internet buyout (for the convention center) in Boston \$15,000 higher than in the past. Overall, expenses are currently showing at \$3,076,704 against a budget of \$2,928,575 –\$148,129 over. But some issues are still being resolved.

On the revenue side, there is still some advertising revenue not showing (about \$10,000). Revenue will end about \$200,000 under the \$2,437,550 budget. The big shifts were in registration (\$1,010,893 against a budget of \$1,080,550) and exhibit space rental (\$1,215,179 against a budget of \$1,357,000). Miscellaneous revenue (charges to non-ALA groups for space) were also down. Donations/honoraria were on target at \$75,000.

There will continue to be some shifts as expense and revenue data is reviewed and missing revenue is received.

Conference Services: ALA Annual Conference (AC)

The Orlando conference is budgeted to make a net revenue of \$587,405, with an overhead contribution to the ALA General Fund of \$1,613,433. As of March 25 (13 weeks out), 46% of budgeted registration revenue had been received (\$1,247,139 against a budget of \$2,697,000), with registration at 6825, about 2,000 behind the San Francisco pace. An additional \$71,028 in ticketed event registration has also been received. Advertising revenue is on pace with San Francisco – and budget – at \$189,930 (against a total annual budget of \$405,000). Exhibit space sales are marginally behind the San Francisco pace at \$2,560,437 (against a yearly budget of \$2,789,875). On the expense side, Conference Services is reviewing all expense areas – and some expenses areas will be helped by the compact meeting campus.

Information Technology and Telecommunications Services (ITTS)

At the end of February, 2016, ITTS expenses are 14.1% or \$187,767 under budget. Salaries are lower than normal due to an open position filled in January 2016. Professional services, software maintenance, and depreciation expenses are low due to timing issues. Professional services are being used on managed services to supply us consultants with a range of expertise.

Office for Accreditation (OA)

OA is slightly below its expense budget (less than a 1% variance). The unit should end FY16 close or slightly positive with an additional \$1,000 in revenue expected.

Office for Diversity, Literacy and Outreach (ODLOS)

ODLOS has a 8.06% favorable variance. This is an evaluation and reorganization year for the office, with a new Director. There has been less travel and professional development in the first half of the fiscal year than in previous years. There will be upcoming expenses that will put ODLOS on target for the year.

Office for Human Resource Development and Recruitment (HRDR)

HRDR has an unfavorable variance of -9.57%. This is due in large part because of lost revenue from the lack of paid recruitment vendors in the Midwinter *JobList* Placement & Career Development Center in Boston. Additionally, revenue targets will be off in the future due to the fact that at the time the budget was planned, it was thought that revenue from the HRDR online courses would be credited to the unit, however these funds are to be credited to MPS.

Office for Intellectual Freedom (OIF)

The Office for Intellectual Freedom is over budget at the end of the 2nd Quarter. Revenues are \$58,682 against a YTD budget of \$91,434, primarily related to lower than usual Banned Books Week sales. Subscription revenues are also under budget. Salaries/wages are over budget – normal at this point because they are budgeted in anticipation of scheduled payment from FTRF to ALA for portions of both the Director’s salary and that of a program officer. Professional services are well under budget. Overall, OIF ends the 2nd quarter at -\$260,575 against a YTD budget of -\$228,189.

Senior Associate Executive Director Office (SAED)

The SAED budget is ending the 2nd Quarter at -\$142,708 against a budgeted -\$165,535, a \$22,826 favorable variance. There have been numerous adjustments – including the unbudgeted accreditation hearing. Revenue from the CE courses developed through APA has begun to appear, transferred from HRDR.

American Association of School Librarians

For February 2016/2nd Quarter, AASL net revenue of \$258,312 is 4.52% above the projected budget. Total revenues of \$1,555,358 were 10.21% below. Total expenses of \$1,297,048 (4.52% below) include a salary savings for a vacant program coordinator position. AASL held a successful national conference in November. Registration fees were lower than projected, but offset by higher exhibitor and meal function revenues for overall revenues of \$1,133,285 (-11.98% variance) and lower expenses of \$359,286 (14.69%). AASL contributed \$302,964 in overhead, down \$29,226 from projected. Dues revenue was slightly above the prior year, but below the budgeted amount by \$12,724. A long held assumption has been for membership to rise significantly during national conference years with attendees taking advantage of the member discount rate for registration. Although some school districts will pay for professional development and registration for conferences, AASL finds that members are often required to pay out of pocket for professional association dues.

Association for Library Collections & Technical Services

SUMMARY:

As of February 2016, ALCTS is keeping pace ahead of the FY16 budget, but subscriptions and membership dues continue to lag. April brings a large number of expenses, including the CEO Symposium, the Executive Committee spring meeting, and a Preservation Week booth at the PLA Conference. The Preservation Week booth expenses will be over budget, as equipment and travel expenses are higher than usual.

Web courses are selling well into the spring. We have added an additional five seats to most sessions. We have two in-person preconferences scheduled for Annual, and one virtual preconference scheduled for June, which should boost revenue.

Donations are below budget by 37%, and down 23% last year at this time. About \$5,500 has been committed that we have not received. Outstanding asks remain for the President’s Program and other Annual events.

Book sale royalties are expected to increase at the end of the fiscal year with two new ALA Editions titles slated to come out this spring. ALA Editions posts royalties twice per year (February and August).

Total overhead is \$20,850, ahead of budget by 15% and ahead of FY15 actuals of \$14,190. Overall net is \$16,514, well ahead of the expected budget of \$(13,710).

REVENUE:

Overall, revenue is \$249,458, about 1% behind budget but ahead of FY15 by about 15%. Personal dues revenue continues to drop at about 4% under budget.

Registration for the in-person MW symposia came in at 55% over budget at \$19,330, and ahead of FY15 actuals of \$14,917. The MW online symposium revenue came in at almost half the expected budget at \$5,170. Webcourses are strong and webinars are close to budget.

Book sales are close to budget and more than double actuals from FY15. LRTS subscriptions continue to fall, and are down by almost 40%.

EXPENSES:

Direct expenses are under budget by 13% and under FY15. Total expenses with IUTs and overhead are under budget by 12%, and under FY15.

Personnel expenses are below budget with staffing changes and the elimination of a second continuing education assistant. \$13,200 went to staff contract work under 5110 Professional Services, but these combined personnel expenses should remain under budget for FY16.

LRTS expenses are under budget, but \$6,912.76 in expenses to ALA Production Services for the January 2016 issue have not yet been posted. This amount would bring total expenses to about 7% over budget.

Association for Library Service to Children

Six months into the 2017 fiscal year, ALSC continues to perform with revenues ahead of budget and expenses under budget. The variance in net revenue over the budget has closed as February was a net expense month. Total revenues are ahead of budget by 8%. Dues continue to perform ahead of budget by almost 11%; permission fees for use of the seal images are ahead of budget by 35%; physical seals sales remain ahead of budget by 15% or \$2,258. Every Child Ready to Read revenues are running ahead of budget by 273%. We do know that Michigan is running a state-wide early literacy initiative which included sending a kit to every library that is participating. Online continuing education registration is under budget by 14% or \$2,258. Advertising for Children and Libraries (CAL) is running ahead of budget by 55% and subscriptions are ahead by 6%. Advertising revenue has picked up since last year now that we are accepting ads for blog and electronic newsletter placements.

Total expenses before overhead and taxes remain under budget by almost 22%. There are three main reasons we are under budget.

1) Less than budgeted benefit savings and savings from unfilled intern position 2) not utilizing consultants for professional services work (although I expect this to come back to budget by end of year), and 3) design work and outside printing for media mentorship and babies need words every day collateral. Seals expenses are running under budget, but we are still trying to figure out the specifics of what the sales/book-discount expense from Brightkey pertains to as we are not seeing this applied in the ECRR

fulfillment. I will meet with Joanne Lee, our controller, in April regarding this. Online CE expenses are operating 47% under budget. While total revenues were under budget, the net revenue is ahead of budget by \$966 or 13% due to the expense savings. ECRR direct expenses are 102% under budget, however after overhead is applied the total expenses are 268% over budget. This is because we didn't anticipate as many sales this year. Total net revenue is \$48,821 or 400% ahead of budget. Día expenses are under budget (\$0) as our sixth Dollar General grant is supporting our activity (note: the grant was awarded after the FY 16 budget was submitted).

Association of College & Research Libraries (including CHOICE)

This is a non-Conference, spend down year for ACRL so a deficit is expected and has been budgeted accordingly. Total revenues are \$1,064,467 against a second quarter budget of \$1,079,418 or 1.39% below budget. At mid-year, the projected revenue is \$2,578,403 against budgeted revenue of \$2,458,773, with a variance of 4.9% or \$119,630. The February revenue masks a variety of performances. Underperforming areas include:

- Dues are performing 3.4% below budget and are projected to come in at 95% of budget by year end.
- Sales of ACRL's Trends and Statistics are down and are expected to be about 24% below budget by year end.
- Classified advertising is currently 25% below budget, but this is really an artifact of the changeover to an outside platform. We now receive revenues the month following the earnings and we expect revenues to catch up to budget by year end.
- Sponsored webinars offered by ACRL/CHOICE are under budget and are expected to end the year 22% below budget.

Revenue streams performing better than budget include:

- ACRL's consulting business, while small, is growing and is projected to be over budget by 28%.
- Book sales are up dramatically at \$139,000 more than budget. After discounts, revenues are \$237,219 and should finish the year at least 125% ahead of budget.
- Surprisingly subscriptions to *C&RL News* are 20% above budget (although this is a small amount given that \$18,632 is the budget for the year. It is not expected this trend will continue.

Print and online product advertising are about on budget. An anomaly being investigated is the huge debits showing in the "book discounts" line that in some cases exceeds the advertising revenue earned. ALA Finance staff is checking into these discounts.

Total expenses are 5.43% below budget or \$1,260,440 against a budget of \$1,332,800. At mid-year we project expenses to be 3.7% below budget as we end the year. ACRL's negative net revenues are projected to be nearly 32% better than budget or -\$237,248, ending the year at -\$492,824.

Choice Performance

Had the timing been just a bit better, FY16 Q2 results would have looked considerably more presentable than they do. ProQuest payments totaling \$130,275, budgeted for February, arrived at Choice on 3 March. Had they been received a week earlier, Choice

net revenue at the midpoint would have been -\$154,377, some \$86,000 ahead of budget and slightly better than last year at this time. Instead, net revenues totaled -\$284,652 on revenue of \$1,239,379 and expenses of \$1,524,030, a \$44K miss vs. budget. Year to date, unit revenue is trailing both budget and prior year by just over \$180,000 (13%), while expenses are \$136,148 (8.2%) ahead of budget and better than prior year by almost \$62,000 (4%), on the strength of savings in salaries and publication-related expenses. Again this year *Choice* magazine continues its familiar pattern of roughly 10% year-over-year decline in circulation, with **subscription** revenues off almost 6%. *Choice Reviews Online* results are more difficult to quantify, owing to a large number of expected renewals that have not been processed. Subscription revenue for *Resources for College Libraries* were artificially depressed by the failure of the 2015Q4 check to arrive on time but are now on budget year-to-date. We are forecasting total subscription revenue from all sources to end the year approximately 3.5% (\$56K) below budget, subject to reforecast when we get greater clarity on CRO revenue trends.

Digital **advertising** revenue has declined precipitously in FY16 and in all probability will not recover by year's end. Through February, digital advertising stood at only 78% of last year, although it has since ticked upward slightly. As a result, we are forecasting a year-end shortfall to budget of as much as 15%, finishing FY16 at around \$165K. Print sales, on the other hand, continue to show surprising strength. Through February they are running approximately 8% above prior year, but in a slowing trajectory we now are forecasting *Choice* magazine ad revenue to finish the year even with FY15, at or about \$365K net.

As of this writing we forecast booking only twenty-four **webinars** this fiscal year, with gross revenues of \$135,000. Our new webinar coordinator, Mark Derks, is working with Pam Marino, director of ad sales, to propose topics to new sponsors, targeting in particular smaller publishers who will be invited to participate in multi-sponsored, forum-style webcasts.

Licensing royalties are forecast to come in very close to budget, with one significant exception. The still-anticipated license with EBSCO for use of *Choice* reviews in its aggregated content databases, budgeted at \$65,000, will in all likelihood once again fail to materialize. Assuming that is so, we are forecasting year-end licensing royalties for *Choice* reviews some \$75K below budget and almost exactly equal to FY15, at around \$495K. Royalties for *Resources for College Libraries* will equal or slightly better budget.

On the **expense** side, we have "benefited" year-to-date from staff turnover, including the planned retirement of our editorial director at the end of December and the resignation of two editors, one for serious health reasons. Year to date, payroll is \$111K favorable to budget. These open positions have been filled as of this writing, leading in the months to come to a much better balance between fiscal prudence and editorial necessity. All other direct expenses are within budgeted limits, so that overall, direct expenses are currently running just under \$110K better than budget and \$30K better than last year.

Association of Specialized & Cooperative Library Agencies

Beginning assets: \$114,360

Dues: Dues (\$27,228) are ahead of last year same time by **16.67%** or \$3,891. Actual: \$27,226 (Feb. 2016) compared to \$22,467 (Feb. 2015). This is fantastic for ASCLA and we may even exceed our projection for the year for the first time in many years.

Sales:

Web CE: Ahead of projections for this time of year by 7.91% or \$1,484. However, our webinar program is not as robust this year and although we have already done better than the whole of last year, we probably won't reach our budget projection (\$37,500) for this year. Actual: \$20,234 (Feb. 2016) compared to \$857 (Feb. 2015) last year same time.

Travel Program: Our travel program (to Scotland this year) was very successful, with a gross profit of \$10,000.

Preconferences and Institutes: We have exceeded our projection (\$15,000) for the year already by \$9,517 or 126.89%. Actual: \$17,017. One preconference is planned for Orlando on: *Freelance Success: Building a Business as a Library Trainer, Educator, Writer, Researcher, or Consultant.*

Total Revenue: Over projection for this time of year by 20.88% or \$11,284. Actual revenue is higher than last year at the same time – actual: \$65,317 (Feb. 2016) compared to \$29,313 (Feb. 2015).

Total Expenses: Over projection compared to last year same time by \$33,456 or 24%. Actual: \$44,028 (Feb. 2016) compared to last year same time: \$33,456 (Feb. 2015).

Summary: We projected a small deficit this year (\$8,784). ASCLA's total expenses are slightly higher than revenue for the time of year, however much of that is offset by the increase in total revenue for this time of year. 38% of our projected expenses have been realized by the end of the second quarter; 60% of our revenue has been received. A bright spot in the budget is that the fundraising trip was more successful than we thought it would be. We do not expect the online learning revenue to reach our projection this year so we are planning to re-package some of our products to increase sales. We are currently creating a new accessibility academy module (an online tutorial) which will be sold at the end of this year or beginning of next. The project manager, Brenda Hough, has started implementation on this project. ASCLA also received a grant from the Library of Congress to revise the standards for libraries serving people who are blind or physically handicapped. Overall, ASCLA has fairly stable streams of revenue planned for the rest of the year which will help meet our mission, but we will be monitoring conference expenses closely to stay within projections.

Library and Information Technology Association

Overall, LITA revenues are at \$227,614 against a (YTD? Total?) budget of \$415,777. Total expenses (including or not including OH?) are \$234,945 against a (YTD? Total?) budget of \$399,456. This is a staff leadership transition year for LITA.

LITA Forum

Total registration for the 2015 LITA Forum was \$111,022 against a budget of \$91,244 – a 22% increase. While no sponsorships were budgeted, some were secured; payments are still pending, so total revenue is still not determined. Some expenses increased with the increase in the number of registrants, including bank fees (credit card processing), overhead and meal function costs. AV costs were higher than originally budgeted. The 2015 LITA Forum is close to break-even, showing a small loss (-\$2,806) with some revenues still outstanding.

Continuing Education (Web Courses, Webinars and MW Workshop)

At the six-month point, LITA is about 14 % off anticipated revenue for courses (\$11,250 against a budget (YTD?) of \$29,850. Corresponding expenses (bank fees, registration processing fees, overhead) are also under budget.

Webinars are at 82% of the projected total for this point -- \$14,761 against a (YTD?) budget of \$17,800. In this case, corresponding expenses are also ahead of budget.

LITA had one ticketed event at the 2016 ALA Midwinter Meeting: a trip to two local makerspaces. While this was a late event, it still garnered a \$396 net revenue (against a budgeted \$4,034 net). Other ticketed events previously scheduled for the 2016 Midwinter were cancelled.

Publication Royalties

ALA (Neal-Schuman *LITA Guides*) royalty information is not available at this time. The initial royalty payments from a publication agreement with Rowman & Littlefield are due in summer 2017.

Library Leadership and Management Association

Summary

With the exception of CE/Webinar revenue, the first half of FY16 is tracking closely to FY15. The LLAMA contribution margin (net before Overhead) is -\$483 against a budget of -\$7,920. Overhead is \$3,004 against a budget of \$5,283. Net revenue/(expense) is -\$7,487 against a budget of -\$13,203.

Revenues:

Revenue is 89% of budget and \$22,000 less than FY 15 revenue. The large variance is due to webinar production, which is down significantly from February, 2015. Webinar production has increased since Midwinter. Personal/organizational dues are on budget but \$3,000 less than FY15.

Direct Expense:

Direct expense is only 87% of budget, primarily due to Executive Committee travel savings. Administrative expense is on budget and webinar expense is below budget, reflecting lower production. The MW Institute broke even before Overhead, but was about \$500 negative after Overhead.

Overhead:

Overhead is 57% of budget, again lower due to fewer webinars.

Year-End Projection:

With nearly a dozen more webinars anticipated by August, CE revenue should end close to the \$62,000 budget. Membership revenue is nearly on budget. Orlando preconference registration is currently below budget. Most other revenue/expense lines should be on budget resulting in a near break-even budget, as has been the trend.

Public Library Association

Operating Budget-- Revenues

Through February 2016, PLA revenues are- 3% (actual \$440,285 vs. budget \$452,349). PLA membership dues are over budget by 6%, boosted by the PLA conference. Every Child Ready to Read products have brought in \$56K to date, against a budget of \$19K. These overages are offset by underperformance in publications, advertising, webinars and donations. In a PLA conference year, the majority of the operating budget (72%) is conference-related. Registration and exhibit revenues will not be reflected in budget

reports until May. Based on current registration/exhibit projections, PLA conference is on pace to exceed budget. Exhibits are trending on pace with budget; registration has exceeded budget by approximately \$100K (including pre-conferences).

Operating Budget-- Expenses

Through February 2016, expenses (including overhead) are 17% under budget (actual \$916,996 vs. budget \$1,113,524). Major savings are in transportation and conference costs. These are timing issues and should even out after the PLA conference. Salaries and benefits are also under budget by \$105K due to grant support of some salaries. Salary savings and no major anticipated overages in conference expenses will keep expenses down; however, these savings will be somewhat offset by increased overhead. It is projected that expenses will be under budget by at least \$100K.

Grants

In FY16, PLA is managing one IMLS grant for early literacy research (\$500K over 3 years, with ALSC) and another IMLS grant for leadership training (\$213K over 3 years) and two Gates Foundation grants: Project Outcome (\$3M over 3 years) and a general operating grant of \$200K through July 2016. PLA also has partnership roles in two smaller grants, one with the FINRA Foundation, administered by the ALA Public Programs Office; the other with the Harvard Family Research Project. Together, these result in approximately \$20K over the next two years.

Overhead for Operating and Grant Budgets

Budgeted overhead for FY2016 operating is \$802K. Based on projections, it is estimated that amount will be \$835K. Grants from IMLS and the Gates Foundation will bring in approximately \$130K in overhead this fiscal year for a total projection of \$965K in overhead to ALA.

Long-Term Investment

The PLA LTI was at \$1,164,732 as of February 2016 (compared to \$1,342,189 same time last year). Interest for FY16 (less bank fees) as of the 2nd quarter was \$32,776 compared to \$30,766 same time last year. Interest is calculated at 4% of the average net asset balance of the PLA LTI over the last 20 quarters. In June the PLA board will determine where to allocate interest. Past investments of interest have gone to leadership development and performance measurement initiatives.

Reference & User Services Association

RUSA Beginning Assets: \$464,821

Dues: Slightly under target for projection for this time of year by \$1,326 or -1.48%. Actual: \$87,882 (Feb. 2016) compared to \$90,622 (Feb. 2015).

Web CE: Under projection for this time of year (this projection – \$125,000 – was a stretch goal this year) by \$16,706 or -26.73%. Actual revenue is \$45,794 (Feb. 2016) compared to \$34,262 (Feb. 2015).

Total Revenue: Total revenue is under projection for this time of year by \$8,577 or -10%. However, the actual revenue is \$27,109 over last year, same time. Actual: \$167,123 (Feb. 2016) compared to 140,014 (Feb. 2015).

Total Expenses: Total expenses are 16.33% (\$39,274) under projection for this time of year: actual= \$201,257; projection for this time of year = \$240,531. Last year same time, the actual number was \$205,946 – just slightly over the actual number for Feb. 2016.

Summary: RUSA has a planned deficit this year. Their budget is on track to stay within our projections overall – with expenses coming in at 16% under projections and revenue at 10% under projections. About 41% of our expenses have been realized by the end of the second quarter, and about 45% of our revenue has been received. Proposed spending decreases will be presented to the RUSA Budget and Finance committee this spring for recommendation for approval by the board at annual conference. Conference expenses will be monitored closely to make sure we stay within budget.

United for Libraries

United for Libraries' budget is at a good pace with projections knowing that corporate sponsorships are continuing to come in but not yet reflected in February financials. Also not reflected is a new statewide purchase of the Trustee Academy by Idaho. We expect renewals and new purchases of the Trustee Academy will be brisk as we are currently updating the curriculum and will “badge” the coursework to satisfy many state standards.

Currently down are sales of Books for Babies but we have recently received a free shipment of board books and “onesies” from Penguin Random House that will reduce our projected expenses either in late FY2016 or early FY2017 depending on whether sales pick up. We believe they will because we are promoting the kits heavily with ‘free’ onesies for the first 100 purchases of at least 100 kits.

United for Libraries has chosen not to adjust projections at this time as, is always the case with our division, revenues reporting tends to lag approximately two months behind expenses.

Young Adult Library Services Association

YALSA had a strong half-year performance, with total revenues of \$417,928 against a budget of \$371,324. Dues are close to budget. The YALSA Symposium made a \$39,514 net revenue after returning \$26,899 to ALA in overhead. Webinars and e-courses are ahead of budget; the Pennsylvania State Library licensed three e-courses. Advertising performance is mixed, with YALS up and eNews down. Book sales are behind budget, as are YALS subscriptions, but bulk seal sales are slightly ahead of budget. Royalties from the first half of FY2015 have not yet been processed, so that revenue does not show up here.

On the expense side, expenses are close to budget in most areas, with total direct expenses at \$364,663 against a YTD budget of \$336,443. The primary increases are in book publishing expenses and the membership recruitment expenses (printing toolkits and guidelines – popular handouts at conferences). Overhead contribution to ALA for the first half of FY2016 was \$38,386 against a budget of \$23,593; overhead is based on gross revenues (excluding dues).

Advocacy and Member Relations Department

February 2016 Report

The Advocacy and Member Relations Department is made up of the following units: The AED Office; Membership; Office for Library Advocacy; Chapter Relations Office; International Relations Office; Library; Office for Research and Statistics; Public Awareness Office; and the Public Programs Office.

Total department revenue was under budget by \$32,908. The department revenues of \$2,784,792 were primarily made up of membership dues, but also included about \$21,000 in the International Relations Office for the Sharjah International Book Fair librarian conference.

Membership dues were under budget by \$44,642. Dues revenue for personal members was slightly ahead of budget, but organizational member dues were behind budget by about \$32,000. The total ALA membership roster at the end of February stood at 59,659 members, up from 55,771 members last year, an increase of 6.97%. The biggest contributor to the increase was the group memberships of trustees and friends organizations, which brought in 3,410 members. United for Libraries initiated the group memberships a few years ago and in FY2016, these groups are now also ALA members. For the first time in nearly five years, the number of personal members and the number of small organizational members is up, thanks to the marketing programs initiated by the Membership staff. Student memberships are holding steady thanks to the increase in the number of chapters participating in the joint student membership program. Last year, 26 chapters participated in the program and now 39 chapters are participating.

Total department expenses in February were under budget by about \$140,000. In most of the offices, this was due to staff vacancies, which have now been filled or due to timing on projects

**ALA Executive Office/Governance Office
February 2016**

This section tracks expenses associated with support of the governance function (Executive Board, Council, President, President-Elect) of the Association.

Council Administration [11-101-0000]: As of February 2016 approximately \$22,577 or 51% of the FY16 Council administrative budget of \$44, 445 has been spent. No unusual expenses are anticipated for this budget.

Executive Board Administration [11-102-0000]: The report ending February 2016 reflects expenditures of approximately \$6,079 leaving \$25,661 unspent. Although the bulk of this budget's expenditures occur during the second half of the fiscal year, we do not anticipate any unusual expenditures for this budget.

Fall Board Meeting [11-102-0118]:

Expenses for the Fall Executive Board meeting, held in Chicago on October 23-25, total \$27,504. This is \$5,276 over the total budget of \$22,228 and is primarily attributed to lodging expenses.

President:

[11-102-0100] (Support)

Approximately \$33,899 remains from a total budget of \$61,475. This includes anticipated and unposted expenditures.

0103 Budget (Initiatives)

During her presidency thus far, Sari Feldman has spent or earmarked approximately \$67,028 of her Presidential Initiatives budget of \$75,000, leaving a remaining budget of \$7,972.

President-Elect:

[11-102-0101] (Support)

\$31,604 of the president-elect support budget remains from a total budget of \$55,260. This takes into account unposted expenditures.

[11-102-0113] (Advisory Committee)

President-elect Julie Todaro has overspent her \$15,570 advisory committee budget by \$1,136.

Planning & Evaluation [11-102-0104]:

This budget line shows that \$26,723, or approximately 86%, of the total budget of \$31,000 remains as of February 29, 2016.

Executive Office [11-103-0000]:

\$380,842 or approximately 51% of the FY16 Executive Office administrative budget of \$740,697 has been spent to date.

Election Processing [11-103-9000]:

\$48,210 or approximately 42% of the Election Processing budget of \$113,850 has been spent to date.

The ALA Washington Office includes the Office of Government Relations, Office for Information Technology Policy and the personnel to support both offices, called the Washington Office. FY2016 will be a Presidential election year which will have unknown impact on the political and policy establishments.

Office of Government Relations (OGR)

Continue to manage and implement all advocacy efforts to serve ALA's federal public policy and legislative goals;

Continue to monitor, analyze, educate, lobby and initiate federal legislative and policy proposals to support ALA's priorities;

Work with library supporters to develop new library champions in Congress;

Provide library supporters with up-to-date information and analysis on government actions and proposals, both directly and by means of well-designed and regularly updated web and other materials;

Support ALA members, ALA Divisions & Offices and ALA Committees involved with federal legislative and policy issues;

Provide staff support to COL and maintain process for assessing and monitoring federal advocacy priorities and strategies for legislation and policy;

Engage actively in all appropriate internal ALA advocacy planning, strategy and implementation efforts;

Coordinate closely with the Public Advocacy Office to strategically promote germane media coverage of library issues, personalities and activities in furtherance of federal legislation and policy; and

Maintain existing, and build new alliances, with other appropriate organizations and entities to better accomplish ALA's federal legislative and policy goals.

The 2016 budget supports ALA's work during the 1st session of the 114th Congress and year six of the Obama Administration. This period, again, will be defined by a contentious political environment requiring increased strategic efforts by ALA/OGR in all parts of government. Measured by bills enacted, Congress recently has accomplished very little. Such inactivity, however, actually places more demands upon OGR and the Washington Office as we seek to advance ALA's agenda.

Specifically, sequestration and other appropriations pressures remain extremely challenging and the appropriations environment is expected to be ever more difficult. We want an increase to \$186.6 million in LSTA funding; federal activities at the agency level concerning copyright, and the House of representatives' own complete review of copyright law, are nearing completion and expected to generate legislative initiatives on multiple fronts, including potentially an assault on "fair use;" ALA also anticipates high-profile activities both on and off the "Hill" in support of ratification of the Marrakesh Treaty for the Print Disabled; past legislative fights, which themselves have been intense, are expected to become even more so in the current Congress with the scheduled June 1 expiration of the "library provision" (Sec. 215) of the USA PATRIOT Act taking center stage, but also with bills on broader NSA reform and cybersecurity also expected to be hotly debated.

With only four full-time lobbyists in FY15, two of whom also have significant ALA management responsibilities, OGR staff will continue to seek COL guidance on prioritizing issues on which to actively lobby, depend on the support from consultants with expertise in crucial issue areas and to continue to recommend the targeted use of resources to address top priorities. OGR staff also will continue to provide staff support to COL and maintain a process for assessing and monitoring priorities and strategies.

OGR will seek to maximally level the social media savvy and skills of its new Grassroots Communications Specialist to significantly expand National Library Legislative Day's attendance and effectiveness, as well as to amplify grassroots federal advocacy efforts.

OGR will assist the Public Advocacy Office and work collaboratively with all other appropriate ALA Offices and Divisions to "build an army of advocates" nationwide to further ALA's and libraries' objectives in every community, in every state legislature and in Washington, DC.

A lack of consensus between ALA units on some key issues prohibits ALA from pursuing certain policy goals (e.g., modernizing the FDLP program at GPO).

OGR will continue to seek increased funding for all federal programs for libraries;

Work with all arms of the federal government to preserve and expand programs that promote affordable broadband access to all types of libraries and the communities they serve;

Seek inclusion of libraries in other federal programs;

Assess, improve effectiveness and stay current with new social media tools to improve advocacy and communications;

Position libraries and ALA to maximize limited resources and work strategically;

Serve member requests for support, education and guidance in all policy areas;

Expand existing chapter and grassroots advocacy projects for federal legislation and policy;

Analyze WO involvement in coalitions including CEF, EdLiNC, surveillance-coalitions, and other formal and informal coalitions, to increase effectiveness. Assess opportunities for new allies. Develop stronger collaboration within WO and other ALA units;

Organize and provide new forum for orienting and updating all ALA legislation-related committees at conferences and other venues for library supporters;

Coordinate grassroots activities with other ALA advocacy and member units; and

Determine options to increase travel to state and regional meetings, as well as use of virtual environments.

Potential Changes: make strategic and creative adjustments to assignments for ALA lobbyists; expand federal grassroots lobbying functions and resources further enhance collaboration and teamwork within ALA and coalitions.

STRATEGIC DIRECTIONS

Advocacy

Lobby for:

- a) LSTA, School Libraries and ESEA, USF and broadband service to all libraries and communities, support for LOC and GPO-FDLP;
- b) increased funding for all federal library-related programs;
- c) IMLS programs;
- d) preservation of fair use and other copyright policies;
- e) ongoing support for open government, no-cost public access to government information;
- f) preservation of E-rate and promotion of new broadband strategies; and
- g) library eligibility for and receipt of WIOA funds.

KEY ACTION AREAS

Target new coalitions, allies, and outreach efforts on copyright, broadband, privacy and cybersecurity issues; advocate for increased funding for library-related programs.

As necessary, defend historic E-rate gains of calendar 2015, and work to expand access to government information and other programs that support lifelong learning and distance education.

Advocate for balanced copyright laws, preserving fair use and ratification of the Marrakesh Treaty .

Work with divisions and chapters to deliver information on threats to intellectual property, privacy and other issues, including academic library issues.

Monitor impact of CIPA and oppose other content blocking mandates, especially impact on access to Internet and digital information. Develop and expand partnerships and coalitions on these issues, collaborate within ALA.

As necessary, defend historic E-rate gains of calendar 2015, and work to expand access to government information and other programs that support lifelong learning and distance education. Advocate for balanced copyright laws, preserving fair use and ratification of the Marrakesh Treaty . Work with divisions and chapters to deliver information on threats to intellectual property, privacy and other issues, including academic library issues. Implement professional development goals for OGR staff.

Maintain E-government initiative including coordination of training, policy models, in maintenance of a tool kit, etc. Continue work on proposed legislation recognizing and funding libraries as e-govt. "centers." Develop and expand partnerships and coalitions on these issues, collaborate within ALA.

Office for Information Technology Policy (OITP)

OITP advocates for public policies that support and encourage efforts by libraries to ensure free and open access to electronic information resources. It works to ensure that the voice of the library community is heard in information policy debates and to promote full and equitable public participation.

Continuing evolution of IT and society will challenge the fundamental foundation for libraries. The overall political environment will be mixed, such as favorable at the FCC, likely difficult in Congress, and neutral in the Administration.

Corporations and major non-profit organizations represent promising opportunities for the library community.

Overall, the library sector must become more proactive in reaching out to stakeholders in the federal government, information industry, technology industry, non-profit organizations, and other institutions.

Strong team of staff and consultants who receive broad recognition for their work. Overall increasing reputation of the OITP brand within ALA and beyond.

Challenge of increasing scope and impact while maintaining most of the prior workload; salaries and benefits not competitive with the federal government and other comparable organizations.

1. Develop and strengthen national collaborations and external policy visibility as guided by the National Public Policy Agenda, under the rubric of the Policy Revolution! Initiative
2. Increase capacity for policy advocacy under the rubric of the Policy Revolution! Initiative
3. Maintain and increase external funding and diversity in funding sources. Identify replacement for the Bill & Melinda Gates Foundation as funder.
4. Bolster national visibility of library copyright and related issues through ALA work as well as efforts by two key copyright coalitions.
5. Implement new program on youth, technology, and public policy and complete projects to increase profile of the role of libraries in advancing youth learning in a technological world.

Under the rubric of the Policy Revolution! initiative, develop and cultivate a cadre of public policy advocates to complement the work of ALA leadership, committee members, staff, consultants and counsel.

Formulate and communicate the basic value proposition for libraries to national decision makers and influencers. Work with relevant and interested ALA units and elected leaders to develop and deliver appropriate products, services, and communications. If the budget request is approved, hold educational workshop for ALA member-leaders and selected staff and produce and disseminate related educational products.

KEY ACTION AREAS

Continue work under the auspices of the Digital Content Working Group to improve library access to digital content. Propose and advocate for more expansive licensing regimes for ebooks. Organize meetings with national publishers and other important entities in the publishing ecosystem, typically small group meetings in New York City or at Book Expo America 2016.

Establish Public Policy Advisory Council to develop and strengthen relationships with non-library national policy entities. Engage the Council in several activities to educate them about the library world and brainstorm about possible collaborations with libraries.

Provide guidance, tools, and training to encourage and enable libraries to take advantage of the increased E-rate funding available. Continue work and advocacy with the Federal Communications Commission to address administrative hurdles that deter library participation in the E-rate program.

Washington Office Operations

Provides operational and administrative support to OGR and OITP.

Manages conference room facilities for ALA, coalitions, and other outside groups.

Provides liaison support to 2 Round Tables: FAFLRT and GODORT.

Will have completed the 10th year of occupancy in office space.

Assume a continued use of Washington Office space for coalition meetings and other ALA unit meetings held in DC, as well as use of conference space by outside groups.

Expect to provide continued support, both administrative and logistical, for OITP grant projects.

Technological support will continue to be provided by designDATA to meet day to day operational needs and to keep the office abreast of changing technology. The office has moved from physical servers to virtual hosting at designDATA, an ultimate cost-saving measure. However, ALA data currently runs on Windows 2008 servers and will need to be migrated to Windows 2012 servers in 2016. Labor costs will be associated with this migration.

Maintenance and help desk support for the CISCO phone system which was installed in FY13 is provided by Connected Work Place Solutions (CWPS). Renewal of the maintenance contract is expected in FY16.

The continued freeze in filling a vacant administrative position has placed a severe strain on our administrative personnel resources as we try to handle increasing and demanding calls for support of OGR and OITP grant projects. We need to fill this vacancy in FY16.

Computer network upgrades along with a more robust help desk service provided by designDATA have resulted in improvements in

the area of technology support and expressed satisfaction with all levels of service provided. Recommended upgrades and labor associated with migrating data to new servers is expected in FY16.

MAJOR GOALS

1. Will continue to provide live (non-automated) and noteworthy customer service to ALA members and others who call the Washington Office for help and guidance.
2. Take advantage of as many resources as possible to train staff and encourage self and professional development for the benefit of ALA, as well as the individual staff member.
3. Raise ALA's profile in non-profit and coalition partners' world through use of enhanced communications and web-based training and information sharing.
4. Improve internal communications methods and efforts on collaboration between office staff and individual units within the Washington Office.
5. The 3 day business outage that the Washington Office experienced in January 2015 provided an actual test of the Washington Office Business Continuity plan and demonstrated the value of testing the plan on at least an annual basis to identify weaknesses and incorporate changes as they occur.

ENABLING STRATEGIES

1. The Washington Office will continue to rely on our network support company to keep the managers abreast of changing and advanced technology that would benefit the office in accomplishing its mission.
2. New computers to replace those that are over 4 years old will be purchased and rolled out in FY16.

IV Division
Statement of Revenues and Expenses
February 2016

TOTAL DIVISIONS	Year-To-Date Actual	Year-To-Date Budget	Year-To-Date Variance	Prior Year Actual	Change FY16-FY15	Beginning Net Asset Balance	Ending Net Asset Balance
Total Revenue	6,432,197	6,800,784	(368,587)	5,449,252	982,945		
Total Expenses	6,973,920	7,754,714	780,794	5,915,935	(1,057,985)		
Net Rev(Exp)	(541,723)	(953,930)	412,207	(466,683)	(75,040)	14,789,410	14,247,687

NET REVENUES

PLA	(476,712)	(661,174)	184,462	(127,955)	(348,757)	2,421,676	1,944,964
ACRL	(194,313)	(253,382)	59,069	(259,072)	64,759	5,002,115	4,807,802
CHOICE	(280,107)	(240,381)	(39,726)	(165,032)	(115,075)	2,884,451	2,604,344
AASL	258,312	247,139	11,173	(158,023)	416,335	698,683	956,995
ASCLA	21,289	(4,203)	25,492	(4,143)	25,432	114,360	135,649
ALCTS	16,514	(13,710)	30,224	(42,407)	58,921	222,717	239,231
LLAMA	(7,487)	(13,203)	5,716	10,125	(17,612)	199,966	192,479
RUSA	(34,134)	(54,831)	20,697	(65,932)	31,798	464,821	430,687
UFL	(61,842)	(7,288)	(54,554)	(79,736)	17,894	(174,292)	(236,134)
LITA	(7,346)	(5,362)	(1,984)	(13,615)	6,269	389,631	382,285
ALSC	232,175	51,957	180,218	242,257	(10,082)	2,294,973	2,527,148
YALSA	(8,072)	510	(8,582)	196,852	(204,924)	270,309	262,237
TOTAL	(541,723)	(953,928)	412,205	(466,681)	(75,042)	14,789,410	14,247,687

American Association of School Librarians

For February 2016/2nd Quarter, AASL net revenue of \$258,312 is 4.52% above the projected budget. Total revenues of \$1,555,358 were 10.21% below. Total expenses of \$1,297,048 (4.52% below) include a salary savings for a vacant program coordinator position. AASL held a successful national conference in November. Registration fees were lower than projected, but offset by higher exhibitor and meal function revenues for overall revenues of \$1,133,285 (-11.98% variance) and lower expenses of \$359,286 (14.69%). AASL contributed \$302,964 in overhead, down \$29,226 from projected. Dues revenue was slightly above the prior year, but below the budgeted amount by \$12,724. A long held assumption has been for membership to rise significantly during national conference years with attendees taking advantage of the member discount rate for registration. Although some school districts will pay for professional development and registration for conferences, AASL finds that members are often required to pay out of pocket for professional association dues.

Association for Library Collections & Technical Services

SUMMARY:

As of February 2016, ALCTS is keeping pace ahead of the FY16 budget, but subscriptions and membership dues continue to lag. April brings a large number of expenses, including the CEO Symposium, the Executive Committee spring meeting, and a Preservation Week booth at the PLA Conference. The Preservation Week booth expenses will be over budget, as equipment and travel expenses are higher than usual.

Web courses are selling well into the spring. We have added an additional five seats to most sessions. We have two in-person preconferences scheduled for Annual, and one virtual preconference scheduled for June, which should boost revenue.

Donations are below budget by 37%, and down 23% last year at this time. About \$5,500 has been committed that we have not received. Outstanding asks remain for the President's Program and other Annual events.

Book sale royalties are expected to increase at the end of the fiscal year with two new ALA Editions titles slated to come out this spring. ALA Editions posts royalties twice per year (February and August).

Total overhead is \$20,850, ahead of budget by 15% and ahead of FY15 actuals of \$14,190. Overall net is \$16,514, well ahead of the expected budget of \$(13,710).

REVENUE:

Overall, revenue is \$249,458, about 1% behind budget but ahead of FY15 by about 15%. Personal dues revenue continues to drop at about 4% under budget.

Registration for the in-person MW symposia came in at 55% over budget at \$19,330, and ahead of FY15 actuals of \$14,917. The MW online symposium revenue came in at almost half the expected budget at \$5,170. Webcourses are strong and webinars are close to budget.

Book sales are close to budget and more than double actuals from FY15. LRTS subscriptions continue to fall, and are down by almost 40%.

EXPENSES:

Direct expenses are under budget by 13% and under FY15. Total expenses with IUTs and overhead are under budget by 12%, and under FY15.

Personnel expenses are below budget with staffing changes and the elimination of a second continuing education assistant. \$13,200 went to staff contract work under 5110 Professional Services, but these combined personnel expenses should remain under budget for FY16.

LRTS expenses are under budget, but \$6,912.76 in expenses to ALA Production Services for the January 2016 issue have not yet been posted. This amount would bring total expenses to about 7% over budget.

Association for Library Service to Children

Six month into the 2017 fiscal year, ALSC continues to perform with revenues ahead of budget and expenses under budget. The variance in net revenue over the budget has closed as February was a net expense month. Total revenues are ahead of budget by 8%. Dues continue to perform ahead of budget by almost 11%; permission fees for use of the seal images are ahead of budget by 35%; physical seals sales remain ahead of budget by 15% or \$2,258. Every Child Ready to Read revenues are running ahead of budget by 273%. We do know that Michigan is running a state-wide early literacy initiative which included sending a kit to every library that is participating. Online continuing education registration is under budget by 14% or \$2,258. Advertising for Children and Libraries (CAL) is running ahead of budget by 55% and subscriptions are ahead by 6%. Advertising revenue has picked up since last year now that we are accepting ads for blog and electronic newsletter placements.

Total expenses before overhead and taxes remain under budget by almost 22%. There are three main reasons we are under budget. 1) Less than budgeted benefit savings and savings from unfilled intern position 2) not utilizing consultants for professional services work (although I expect this to come back to budget by end of year), and 3) design work and outside printing for media mentorship and babies need words every day collateral. Seals expenses are running under budget, but we are still trying to figure out the specifics of what the sales/book-discount expense from Brightkey pertains to as we are not seeing this applied in the ECRR fulfillment. I will meet with Joanne Lee, our controller, in April regarding this. Online CE expenses are operating 47% under budget. While total revenues were under budget, the net revenue is ahead of budget by \$966 or 13% due to the expense savings. ECRR direct expenses are 102% under budget, however after overhead is applied the total expenses are 268% over budget. This is because we didn't anticipate as many sales this year. Total net revenue is \$48,821 or 400% ahead of budget. Dia expenses are under budget (\$0) as our sixth Dollar General grant is supporting our activity (note: the grant was awarded after the FY 16 budget was submitted).

Association of College & Research Libraries (including CHOICE)

This is a non-Conference, spend down year for ACRL so a deficit is expected and has been budgeted accordingly. Total revenues are \$1,064,467 against a second quarter budget of \$1,079,418 or 1.39% below budget. At mid-year, the projected revenue is \$2,578,403 against budgeted revenue of \$2,458,773, with a variance of 4.9% or \$119,630. The February revenue masks a variety of performances. Underperforming areas include:

- Dues are performing 3.4% below budget and are projected to come in at 95% of budget by year end.
- Sales of ACRL's Trends and Statistics are down and are expected to be about 24% below budget by year end.
- Classified advertising is currently 25% below budget, but this is really an artifact of the changeover to an outside platform. We now receive revenues the month following the earnings and we expect revenues to catch up to budget by year end.
 - Sponsored webinars offered by ACRL/CHOICE are under budget and are expected to end the year 22% below budget.

Revenue streams performing better than budget include:

- ACRL's consulting business, while small, is growing and is projected to be over budget by 28%.
- Book sales are up dramatically at \$139,000 more than budget. After discounts, revenues are \$237,219 and should finish the year at least 125% ahead of budget.

Surprisingly subscriptions to *C&RL News* are 20% above budget (although this is a small amount given that \$18,632 is the budget for the year. It is not expected this trend will continue.

Print and online product advertising are about on budget. An anomaly being investigated is the huge debits showing in the "book discounts" line that in some cases exceeds the advertising revenue earned. ALA Finance staff is checking into these discounts.

Total expenses are 5.43% below budget or \$1,260,440 against a budget of \$1,332,800. At mid-year we project expenses to be 3.7% below budget as we end the year. ACRL's negative net revenues are projected to be nearly 32% better than budget or -\$237,248, ending the year at -\$492,824.

Choice Performance Comments

FY16 Q2

Had the timing been just a bit better, FY16 Q2 results would have looked considerably more presentable than they do. ProQuest payments totaling \$130,275, budgeted for February, arrived at Choice on 3 March. Had they been received a week earlier, Choice net revenue at the midpoint would have been -\$154,377, some \$86,000 ahead of budget and slightly better than last year at this time. Instead, net revenues totaled -\$284,652 on revenue of \$1,239,379 and expenses of \$1,524,030, a \$44K miss vs. budget. Year to date, unit revenue is trailing both budget and prior year by just over \$180,000 (13%), while expenses are \$136,148 (8.2%) ahead of budget and better than prior year by almost \$62,000 (4%), on the strength of savings in salaries and publication-related expenses.

Again this year *Choice* magazine continues its familiar pattern of roughly 10% year-over-year decline in circulation, with **subscription** revenues off almost 6%. *Choice Reviews Online* results are more difficult to quantify, owing to a large number of expected renewals that have not been processed. Subscription revenue for *Resources for College Libraries* were artificially depressed by the failure of the 2015Q4 check to arrive on time but are now on budget year-to-date. We are forecasting total subscription revenue from all sources to end the year approximately 3.5% (\$56K) below budget, subject to reforecast when we get greater clarity on CRO revenue trends.

Digital **advertising** revenue has declined precipitously in FY16 and in all probability will not recover by year's end. Through February, digital advertising stood at only 78% of last year, although it has since ticked upward slightly. As a result, we are forecasting a year-end shortfall to budget of as much as 15%, finishing FY16 at around \$165K. Print sales, on the other hand, continue to show surprising strength. Through February they are running approximately 8% above prior year, but in a slowing trajectory we now are forecasting *Choice* magazine ad revenue to finish the year even with FY15, at or about \$365K net.

As of this writing we forecast booking only twenty-four **webinars** this fiscal year, with gross revenues of \$135,000. Our new webinar coordinator, Mark Derks, is working with Pam Marino, director of ad sales, to propose topics to new sponsors, targeting in particular smaller publishers who will be invited to participate in multi-sponsored, forum-style webcasts.

Licensing royalties are forecast to come in very close to budget, with one significant exception. The still-anticipated license with EBSCO for use of Choice reviews in its aggregated content databases, budgeted at \$65,000, will in all likelihood once again fail to materialize. Assuming that is so, we are forecasting year-end licensing royalties for Choice reviews some \$75K below budget and almost exactly equal to FY15, at around \$495K. Royalties for *Resources for College Libraries* will equal or slightly better budget.

On the **expense** side, we have "benefited" year-to-date from staff turnover, including the planned retirement of our editorial director at the end of December and the resignation of two editors, one for serious health reasons. Year to date, payroll is \$111K favorable to budget. These open positions have been filled as of this writing, leading in the months to come to a much better balance between fiscal prudence and editorial necessity. All other direct expenses are within budgeted limits, so that overall, direct expenses are currently running just under \$110K better than budget and \$30K better than last year.

Association of Specialized & Cooperative Library Agencies

Beginning assets: \$114,360

Dues: Dues (\$27,228) are ahead of last year same time by **16.67%** or \$3,891. Actual: \$27,226 (Feb. 2016) compared to \$22,467 (Feb. 2015). This is fantastic for ASCLA and we may even exceed our projection for the year for the first time in many years.

Sales:

Web CE: Ahead of projections for this time of year by 7.91% or \$1,484. However, our webinar program is not as robust this year and although we have already done better than the whole of last year, we probably won't reach our budget projection (\$37,500) for this year. Actual: \$20,234 (Feb. 2016) compared to \$857 (Feb. 2015) last year same time.

Travel Program: Our travel program (to Scotland this year) was very successful, with a gross profit of \$10,000.

Preconferences and Institutes: We have exceeded our projection (\$15,000) for the year already by \$9,517 or 126.89%. Actual: \$17,017. One preconference is planned for Orlando on: *Freelance Success: Building a Business as a Library Trainer, Educator, Writer, Researcher, or Consultant*.

Total Revenue: Over projection for this time of year by 20.88% or \$11,284. Actual revenue is higher than last year at the same time – actual: \$65,317 (Feb. 2016) compared to \$29,313 (Feb. 2015).

Total Expenses: Over projection compared to last year same time by \$33,456 or 24%. Actual: \$44,028 (Feb. 2016) compared to last year same time: \$33,456 (Feb. 2015).

Summary: We projected a small deficit this year (\$8,784). ASCLA's total expenses are slightly higher than revenue for the time of year, however much of that is offset by the increase in total revenue for this time of year. 38% of our projected expenses have been realized by the end of the second quarter; 60% of our revenue has been received. A bright spot in the budget is that the fundraising trip was more successful than we thought it would be. We do not expect the online learning revenue to reach our projection this year so we are planning to re-package some of our products to increase sales. We are currently creating a new accessibility academy module (an online tutorial) which will be sold at the end of this year or beginning of next. The project manager, Brenda Hough, has started implementation on this project. ASCLA also received a grant from the Library of Congress to revise the standards for libraries serving people who are blind or physically handicapped. Overall, ASCLA has fairly stable streams of revenue planned for the rest of the year which will help meet our mission, but we will be monitoring conference expenses closely to stay within projections.

Library and Information Technology Association

Overall, LITA revenues are at \$227,614 against a (YTD? Total?) budget of \$415,777. Total expenses (including or not including OH?) are \$234,945 against a (YTD? Total?) budget of \$399,456. This is a staff leadership transition year for LITA.

LITA Forum

Total registration for the 2015 LITA Forum was \$111,022 against a budget of \$91,244 – a 22% increase. While no sponsorships were budgeted, some were secured; payments are still pending, so total revenue is still not determined. Some expenses increased with the increase in the number of registrants, including bank fees (credit card processing), overhead and meal function costs. AV costs were higher than originally budgeted. The 2015 LITA Forum is close to break-even, showing a small loss (-\$2,806) with some revenues still outstanding.

Continuing Education (Web Courses, Webinars and MW Workshop)

At the six-month point, LITA is about 14 % off anticipated revenue for courses (\$11,250 against a budget (YTD?) of \$29,850. Corresponding expenses (bank fees, registration processing fees, overhead) are also under budget.

Webinars are at 82% of the projected total for this point -- \$14,761 against a (YTD?) budget of \$17,800. In this case, corresponding expenses are also ahead of budget.

LITA had one ticketed event at the 2016 ALA Midwinter Meeting: a trip to two local makerspaces. While this was a late event, it still garnered a \$396 net revenue (against a budgeted \$4,034 net). Other ticketed events previously scheduled for the 2016 Midwinter were cancelled.

Publication Royalties

ALA (Neal-Schuman *LITA Guides*) royalty information is not available at this time. The initial royalty payments from a publication agreement with Rowman & Littlefield are due in summer 2017.

Library Leadership and Management Association

Summary

With the exception of CE/Webinar revenue, the first half of FY16 is tracking closely to FY15. The LLAMA contribution margin (net before Overhead) is -\$483 against a budget of -\$7,920. Overhead is \$3,004 against a budget of \$5,283. Net revenue/(expense) is -\$7,487 against a budget of -\$13,203.

Revenues:

Revenue is 89% of budget and \$22,000 less than FY 15 revenue. The large variance is due to webinar production, which is down significantly from February, 2015. Webinar production has increased since Midwinter. Personal/organizational dues are on budget but \$3,000 less than FY15.

Direct Expense:

Direct expense is only 87% of budget, primarily due to Executive Committee travel savings. Administrative expense is on budget and webinar expense is below budget, reflecting lower production. The MW Institute broke even before Overhead, but was about \$500 negative after Overhead.

Overhead:

Overhead is 57% of budget, again lower due to fewer webinars.

Year-End Projection:

With nearly a dozen more webinars anticipated by August, CE revenue should end close to the \$62,000 budget. Membership revenue is nearly on budget. Orlando preconference registration is currently below budget. Most other revenue/expense lines should be on budget resulting in a near break-even budget, as has been the trend.

Public Library Association

Operating Budget-- Revenues

Through February 2016, PLA revenues are- 3% (actual \$440,285 vs. budget \$452,349). PLA membership dues are over budget by 6%, boosted by the PLA conference. Every Child Ready to Read products have brought in \$56K to date, against a budget of \$19K. These overages are offset by underperformance in publications, advertising, webinars and donations. In a PLA conference year, the majority of the operating budget (72%) is conference-related. Registration and exhibit revenues will not be reflected in budget reports until May. Based on current registration/exhibit projections, PLA conference is on pace to exceed budget. Exhibits are trending on pace with budget; registration has exceeded budget by approximately \$100K (including pre-conferences).

Operating Budget-- Expenses

Through February 2016, expenses (including overhead) are 17% under budget (actual \$916,996 vs. budget \$1,113,524). Major savings are in transportation and conference costs. These are timing issues and should even out after the PLA conference. Salaries and benefits are also under budget by \$105K due to grant support of some salaries. Salary savings and no major anticipated overages in conference expenses will keep expenses down; however, these savings will be somewhat offset by increased overhead. It is projected that expenses will be under budget by at least \$100K.

Grants

In FY16, PLA is managing one IMLS grant for early literacy research (\$500K over 3 years, with ALSC) and another IMLS grant for leadership training (\$213K over 3 years) and two Gates Foundation grants: Project Outcome (\$3M over 3 years) and a general operating grant of \$200K through July 2016. PLA also has partnership roles in two smaller grants, one with the FINRA Foundation, administered by the ALA Public Programs Office; the other with the Harvard Family Research Project. Together, these result in approximately \$20K over the next two years.

Overhead for Operating and Grant Budgets

Budgeted overhead for FY2016 operating is \$802K. Based on projections, it is estimated that amount will be \$835K. Grants from IMLS and the Gates Foundation will bring in approximately \$130K in overhead this fiscal year for a total projection of \$965K in overhead to ALA.

Long-Term Investment

The PLA LTI was at \$1,164,732 as of February 2016 (compared to \$1,342,189 same time last year). Interest for FY16 (less bank fees) as of the 2nd quarter was \$32,776 compared to \$30,766 same time last year. Interest is calculated at 4% of the average net asset balance of the PLA LTI over the last 20 quarters. In June the PLA board will determine where to allocate interest. Past investments of interest have gone to leadership development and performance measurement initiatives.

Reference & User Services Association

RUSA Beginning Assets: \$464,821

Dues: Slightly under target for projection for this time of year by \$1,326 or -1.48%. Actual: \$87,882 (Feb. 2016) compared to \$90,622 (Feb. 2015).

Web CE: Under projection for this time of year (this projection – \$125,000 – was a stretch goal this year) by \$16,706 or -26.73%. Actual revenue is \$45,794 (Feb. 2016) compared to \$34,262 (Feb. 2015).

Total Revenue: Total revenue is under projection for this time of year by \$8,577 or

-10%. However, the actual revenue is \$27,109 over last year, same time. Actual: \$167,123 (Feb. 2016) compared to 140,014 (Feb. 2015).

Total Expenses: Total expenses are 16.33% (\$39,274) under projection for this time of year: actual= \$201,257; projection for this time of year = \$240,531. Last year same time, the actual number was \$205,946 – just slightly over the actual number for Feb. 2016.

Summary: RUSA has a planned deficit this year. Their budget is on track to stay within our projections overall – with expenses coming in at 16% under projections and revenue at 10% under projections. About 41% of our expenses have been realized by the end of the second quarter, and about 45% of our revenue has been received. Proposed spending decreases will be presented to the RUSA Budget and Finance committee this spring for recommendation for approval by the board at annual conference. Conference expenses will be monitored closely to make sure we stay within budget.

United for Libraries

United for Libraries' budget is at a good pace with projections knowing that corporate sponsorships are continuing to come in but not yet reflected in February financials. Also not reflected is a new statewide purchase of the Trustee Academy by Idaho. We expect renewals and new purchases of the Trustee Academy will be brisk as we are currently updating the curriculum and will "badge" the coursework to satisfy many state standards.

Currently down are sales of Books for Babies but we have recently received a free shipment of board books and "onesies" from Penguin Random House that will reduce our projected expenses either in late fy2016 or early fy2017 depending on whether sales pick up. We believe they will because we are promoting the kits heavily with 'free' onesies for the first 100 purchases of at least 100 kits.

United for Libraries has chosen not to adjust projections at this time as, is always the case with our division, revenues reporting tends to lag approximately two months behind expenses.

Young Adult Library Services Association

YALSA had a strong half-year performance, with total revenues of \$417,928 against a budget of \$371,324. Dues are close to budget. The YALSA Symposium made a \$39,514 net revenue after returning \$26,899 to ALA in overhead. Webinars and e-courses are ahead of budget; the Pennsylvania State Library licensed three e-courses. Advertising performance is mixed, with YALS up and eNews down. Book sales are behind budget, as are YALS subscriptions, but bulk seal sales are slightly ahead of budget. Royalties from the first half of FY2015 have not yet been processed, so that revenue does not show up here.

On the expense side, expenses are close to budget in most areas, with total direct expenses at \$364,663 against a YTD budget of \$336,443. The primary increases are in book publishing expenses and the membership recruitment expenses (printing toolkits and guidelines – popular handouts at conferences). Overhead contribution to ALA for the first half of FY2016 was \$38,386 against a budget of \$23,593; overhead is based on gross revenues (excluding dues).

V Round Table
Statement of Revenues and Expenses
February 29, 2016

TOTAL ROUNDTABLES	Year-To-Date Actual	Year-To-Date Budget	Year-To-Date Variance	Prior Year Actual	Change FY16-FY15	Beginning Net Asset Balance	Ending Net Asset Balance
Total Revenue	201,354	191,324	10,030	185,072	16,282		
Total Expenses	106,126	137,417	31,291	59,754	46,372		
Net Rev(Exp)	95,228	53,907	41,321	125,318	(30,090)	1,635,985	1,731,213

NET REVENUES

LHRT	3,167	0	3,167	3,264	(97)	58,168	61,335
ERT	(2,156)	641	(2,797)	1,114	(3,270)	22,040	19,884
FAFLRT	1,645	2,439	(794)	1,491	154	12,602	14,247
GODORT	(3,760)	2,025	(5,785)	1,857	(5,617)	128,431	124,671
IFRT	5,221	24	5,197	5,467	(246)	80,689	85,910
IRRT	4,379	1,127	3,252	2,437	1,942	31,411	35,790
NMRT	6,114	3,885	2,229	7,188	(1,074)	96,964	103,078
LRRT	3,806	69	3,737	3,706	100	67,980	71,786
MAGIRT	4,986	2,253	2,733	3,393	1,593	45,578	50,564
SRRT	2,700	3	2,697	3,618	(918)	67,273	69,973
SORT	223	537	(314)	254	(31)	22,738	22,961
LIRT	(10,453)	1,729	(12,182)	9,329	(19,782)	161,396	150,943
EMIERT	71,859	25,858	46,001	71,648	211	613,084	684,943
CLENERT	2,043	2,828	(785)	1,467	576	103,454	105,497
RMRT	1,684	752	932	1,659	25	11,571	13,255
GGRT	1,676	501	1,175	1,276	400		1,676
VRT	1,233	29	1,204	1,215	18	22,035	23,268
SSIRT	758	68	690	1,246	(488)		758
GLBTRT	(845)	8,615	(9,460)	3,047	(3,892)	40,420	39,575
SRT	948	525	423	641	307	1,979	2,927
TOTAL	95,228	53,908	41,320	125,317	(30,089)	1,587,813	1,683,041