

2016 - 2017 ALA CD #33.0

2016 - 2017 Midwinter Meeting

Budget Analysis And Review Committee (BARC)

BARC Report
to
ALA Council, Executive Board, Membership
and
The Planning and Budget Assembly

Ann M. Martin – BARC Chair

Midwinter Meeting - Atlanta, GA
Saturday - January 21, 2017
Sunday - January 22, 2017

BARC Report Topics

Budget Update

- Fiscal Year 2017 Budget
 - BARC Discussed and Approved Final Ceiling Adjustments
- Fiscal Year 2017 First Quarter Results
 - Three Months Ending 11-30-16

Other Activities

- Response to Council Resolution on Spectrum
- ALA Financial Learning Series

Budget Orientation

- **Current ALA Fiscal Year 2017**
 - Sept 1, 2016 – August 31, 2017
- **Midwinter finances involve 3 fiscal years**
 - FY 2016 – year end closing
 - FY 2017 – first quarter report (Sept-Nov)
 - FY 2018 – planning & budget assumptions

Fiscal Year 20xx
Total ALA Budgetary Ceiling

Net Assets

(Unexpended balance remaining from fiscal year closing)

+

Revenue

(Anticipated in upcoming fiscal year)

=

Budgetary Ceiling

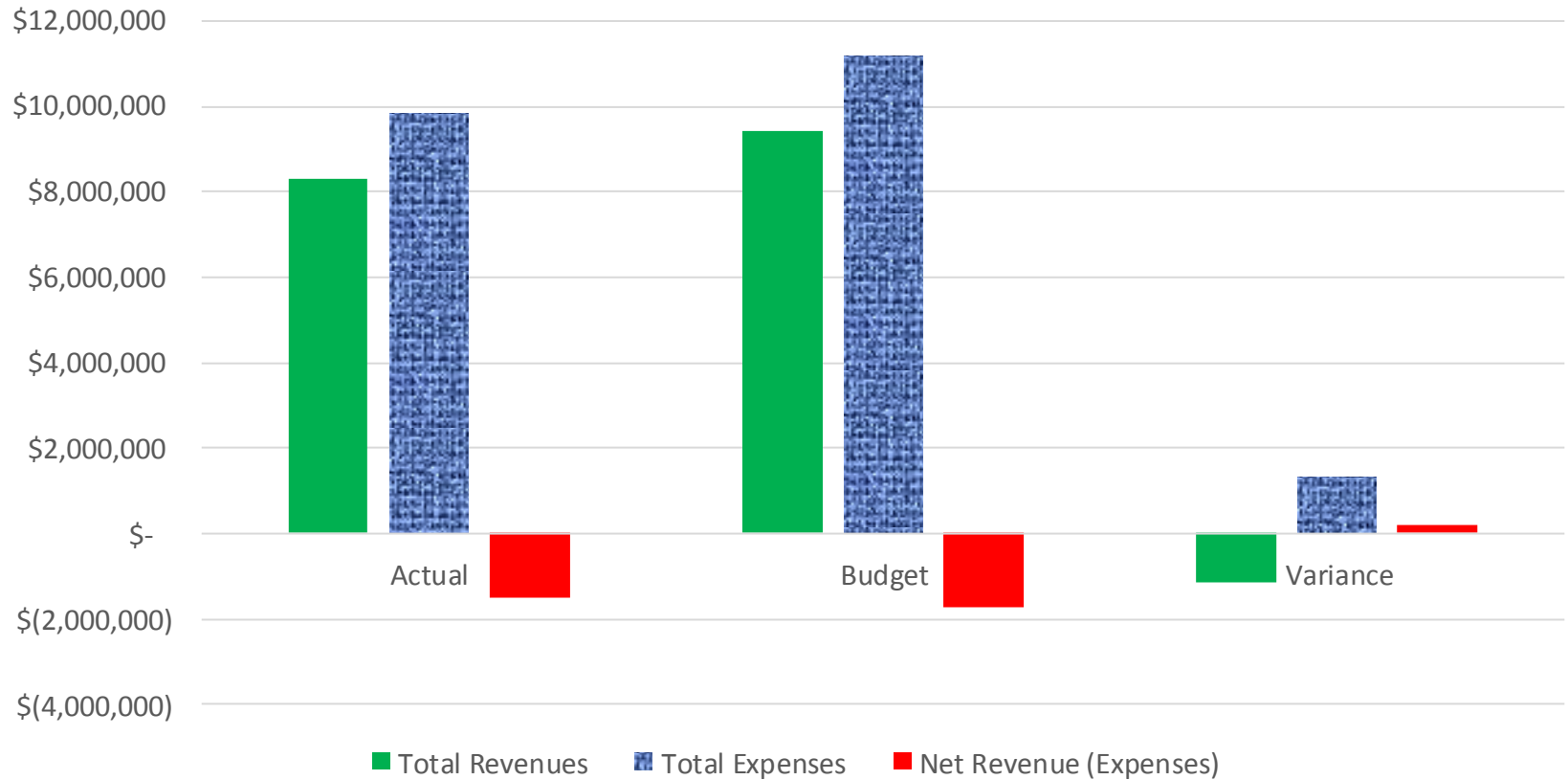
FY2017

Total Budgetary Ceilings

| | AC Orlando | Fall BARC | (\$) <i> change</i> |
|--|--------------|---------------------|---------------------|
| General Fund | \$30,120,362 | \$29,587,223 | <i>(\$533,139)</i> |
| Division Fund | 28,349,272 | 28,702,106 | 352,834 |
| Round Tables | 2,090,736 | 2,210,882 | 120,146 |
| Grants & Awards | 4,475,827 | 5,393,710 | 917,883 |
| Long-Term Investment | 367,018 | 847,358 | 480,340 |
| | | | |
| Total ALA Budgetary Ceiling = | \$65,403,215 | \$66,741,279 | <i>\$1,338,064</i> |

FY 2017

Total ALA - 1st Quarter Highlights



- Still a financially sound and strong organization
- Revenue less than budget primarily due to lower Grants & Awards (\$500,345) due to timing
- Net operating expenses better than budget by \$309,074
- Significant expenses savings by the Divisions (\$623,268)

Total ALA

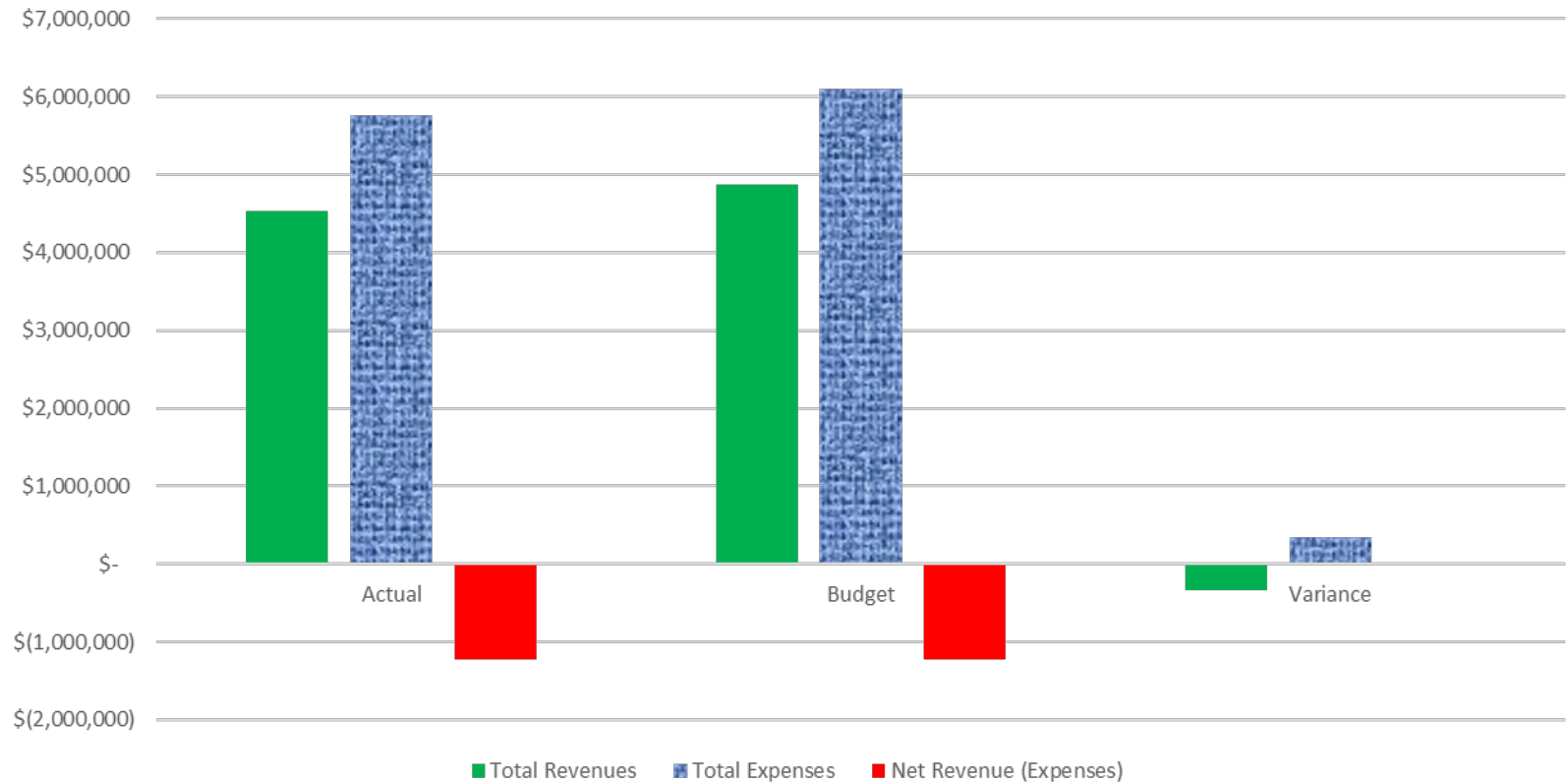
Revenues/Expenses/Net Revenue

1st Quarter Highlights

| | <u>Nov 2016</u> | <u>Nov 2015</u> | <u>Budget</u> | <u>Budget Variance</u> |
|-----------------------|---------------------|---------------------|---------------------|----------------------------|
| Total Revenues | \$ 8,309,982 | \$10,253,620 | \$ 9,437,625 | \$(1,127,643) |
| Total Expenses | <u>\$ 9,726,141</u> | <u>\$11,846,287</u> | <u>\$11,162,858</u> | <u>\$ 1,436,717</u> |
| Net Revenue | \$ (1,416,158) | \$(1,592,667) | \$ (1,725,234) | \$ 309,074 |

FY 2017

General Fund - 1st Quarter Highlights



- Revenues of \$4.5 million were under budget by \$341,561 (7.0%), primarily in Publishing (\$234,332) and Advocacy & Member Relations (\$68,887)
- Revenue in Booklists was less than budget by \$96,029
- Expenses were under budget by \$349,918, primarily in Publishing (\$271,112) and Member Programs and Services (\$130,134)

General Fund

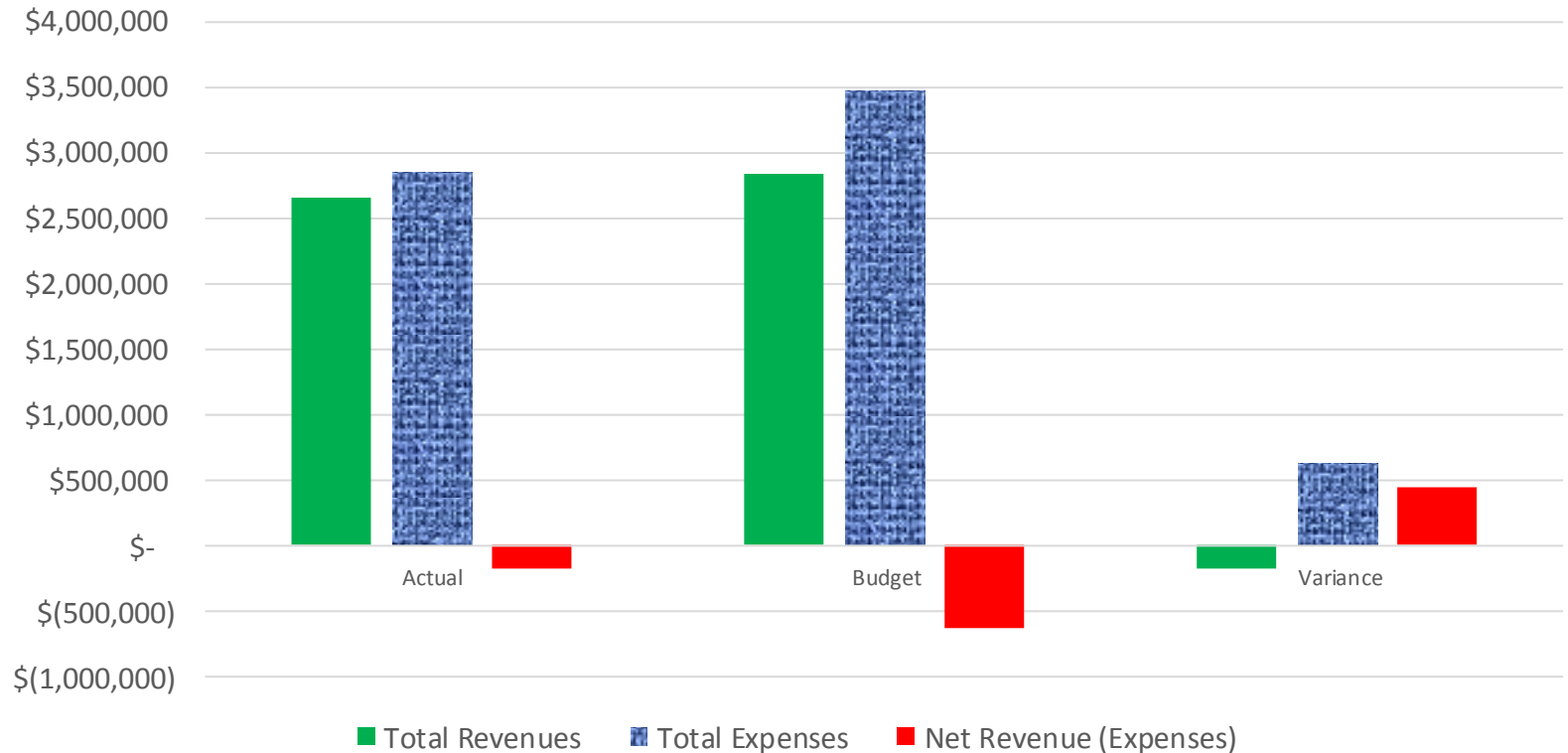
Revenues/Expenses/Net Revenue

1st Quarter Highlights

| | <u>Nov 2016</u> | <u>Nov 2015</u> | <u>Budget</u> | <u>Budget Variance</u> |
|-----------------------|---------------------|---------------------|---------------------|----------------------------|
| Total Revenues | \$ 4,538,020 | \$ 4,997,231 | \$ 4,879,582 | \$ (341,562) |
| Total Expenses | <u>\$ 5,637,651</u> | <u>\$ 5,948,358</u> | <u>\$ 5,987,571</u> | <u>\$ 349,920</u> |
| Net Revenue | \$(1,099,631) | \$ (951,127) | \$(1,107,989) | \$ 8,358 |

FY 2017

Divisions 1st Quarter Highlights



- Division revenue less than budget due to lower book sales and registration fees in AASL, lower advertising in ACRL and miscellaneous in UFL
- Division expenses less than budget due to activities in PLA and ALCTS
- Net expenses were less (better) than budget at (\$183,403)

Divisions

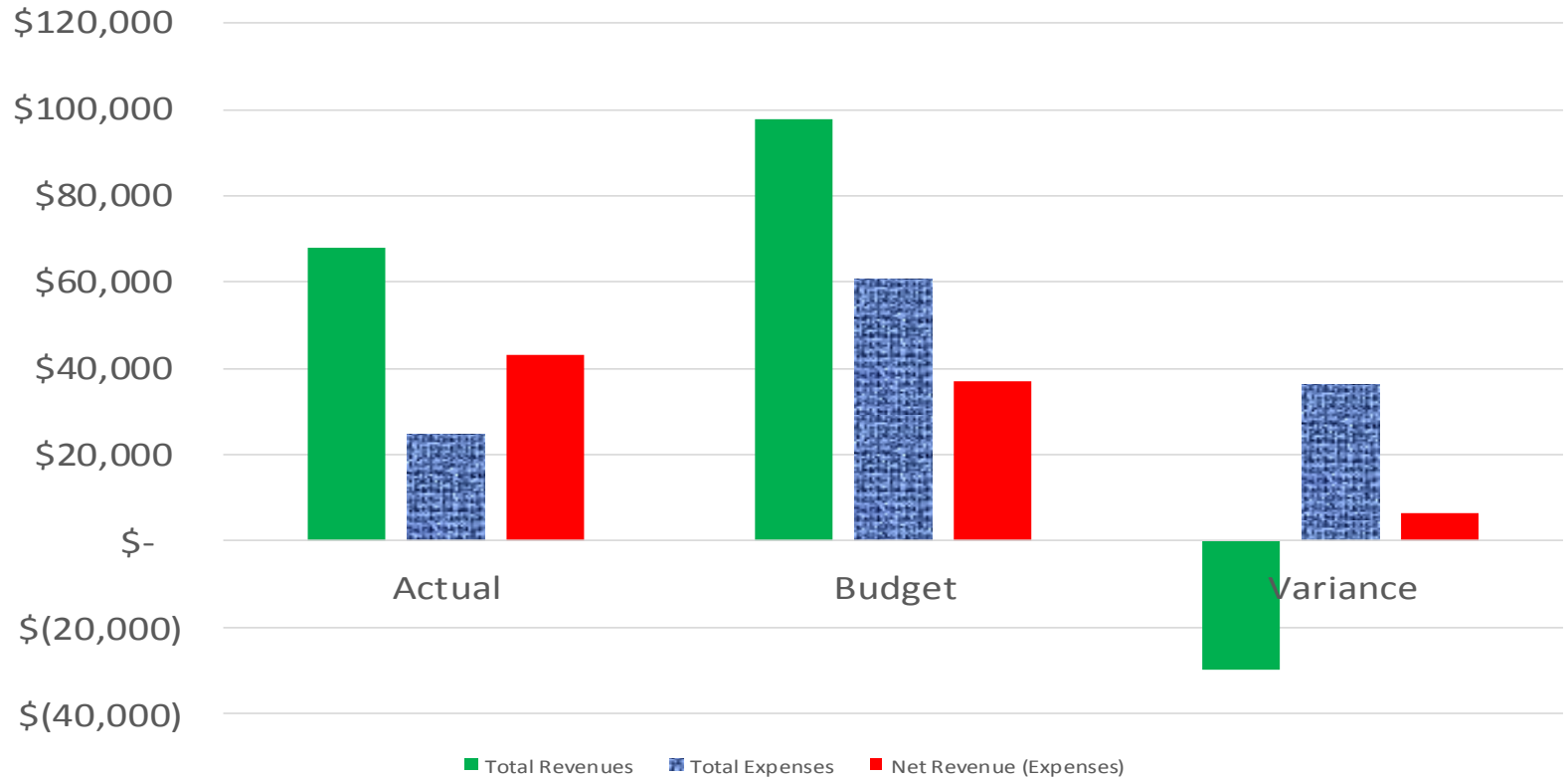
Revenues/Expenses/Net Revenue

1st Quarter Highlights

| | <u>Nov-16</u> | <u>Nov-15</u> | <u>Budget</u> | <u>Budget Variance</u> |
|-----------------------|---------------------|---------------------|---------------------|----------------------------|
| Total Revenues | \$ 2,664,174 | \$ 3,391,121 | \$ 2,841,225 | \$ (177,051) |
| Total Expenses | <u>\$ 2,847,577</u> | <u>\$ 3,689,130</u> | <u>\$ 3,470,845</u> | <u>\$ 623,268</u> |
| Net Revenue | \$ (183,403) | \$ (298,009) | \$ (629,620) | \$ 446,217 |

FY 2017

Round Tables 1st Quarter Highlights



- Revenues less than budget as a result of a change in the misapplication of discounts on book sales in EMIERT due to an accounting change
- Expenses less than budget as budgeted Midwinter Meeting related expenses have not yet realized/incurred
- Net revenue was \$43,132

Round Tables

Revenues/Expenses/Net Revenue

1st Quarter Highlights

| | <u>Nov 2016</u> | <u>Nov 2015</u> | <u>Budget</u> | <u>Budget Variance</u> |
|-----------------------|------------------|------------------|------------------|----------------------------|
| Total Revenues | \$ 67,891 | \$ 68,489 | \$ 97,673 | \$ (29,782) |
| Total Expenses | \$ <u>24,759</u> | \$ <u>54,500</u> | \$ <u>60,838</u> | \$ <u>36,079</u> |
| Net Revenue | \$ 43,132 | \$ 13,989 | \$ 36,835 | \$ 6,297 |

Council Referral on Spectrum



- BARC asked staff to review the Spectrum program's current marketing and recruitment activities on an association wide basis
- Recognized the good work of the TFEDI* and their 57 recommendations to advance diversity efforts at all levels
- The Executive Director has committed \$10,000 to ODLOS in the FY17 budget to begin implementing the recommendations
- To fully address the issue a long term plan will be developed with the collaboration of ODLOS and HRDR

ALA *Financial Learning* Series

Topics of Webcasts

- **Budget Planning for a Pre-Conference or a One Time Event**
- **Organizational Structure**
- **Budget Cycle and Process**
- **The Operating Agreement**
- **The Long-Term Investment Fund**
- **Round Tables Financial Orientation**

Online ALA *Financial Information*

Treasurer's Page

- Offers Reports, Resources and Links to the Six Webcasts
- <http://www.ala.org/aboutala/treasurerspage>

ALA Online Learning Offerings by Unit

- Brief Descriptions of Units' Learning Programs
- <http://ala.org/onlinelearning/unit>

ALA Online Learning Webcasts

- links to the page for the six webcasts
 - <http://ala.org/onlinelearning/unit/finance>
 - <http://ala.org/onlinelearning/unit/governance>
- ALA YouTube Channel - Financial Learning Series Playlist
 - <http://www.youtube.com/user/AmLibraryAssociation#g/c/4234E31B4C2F3EE9>

**Thank you for your
commitment to ALA**

**Ann M. Martin
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