

2014 - 2015 ALA CD#33

2014 - 2015 Midwinter Meeting

Budget Analysis And Review Committee (BARC)

BARC Report to ALA Council and Planning and Budget Assembly

Patricia A. Wand – BARC Chair

Midwinter Meeting
Saturday - January 31, 2015
Sunday – February 1, 2015
Chicago, IL

BARC Report Topics

Budget Update

- ◆ Fiscal Year 2015 Budgetary Ceiling Adjustments
 - Annual Conference vs. Fall Meeting
- ◆ Fiscal Year 2015 First Quarter Results
 - Three Months Ending 11-30-14

Other Activities

- ◆ *Allowing Programs at Midwinter* proposed resolution
- ◆ *Financial Handbook*
- ◆ ALA Financial Learning Series

Budget Orientation

- ◆ **Current ALA Fiscal Year 2015**
Sept 1, 2014 – August 31, 2015
- ◆ **Midwinter finances involve 3 fiscal years**
 - FY 2014 – year end closing**
 - FY 2015 – first quarter report (Sept-Nov)**
 - FY 2016 – 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

Total ALA

FY2015

FY2015

Budgetary Ceilings

	<u>Annual</u>	<u>Fall</u>	<u>Variance</u>
	<u>Conference</u>	<u>Meeting</u>	
General Fund	\$ 29,558,008	\$ 29,468,008	\$ (90,000)
Divisions	\$ 26,793,577	\$ 26,677,469	\$ (116,108)
Roundtables	\$ 1,802,501	\$ 1,803,501	\$ 1,000
Grants & Awards	\$ 4,857,356	\$ 5,159,868	\$ 302,512
Long-Term Investments	\$ 1,066,779	\$ 1,110,363	\$ 43,584
Total Budgetary Ceiling	\$ 64,078,221	\$ 64,219,209	\$ 140,988

1st Quarter Highlights

Total ALA Revenue - \$8.8 million

Less than budget by \$618,959

- **Total ALA Expenses - \$9.9 million**

Less than budget by \$1.1 million

- **Excess Expenses Over Revenues – (\$1.0 million)**

This is the typical Revenue/Expense/Net Revenue pattern for this time period. The budget reflects a loss of (\$1.5 million)

- **Cash and Investments - \$18.8 million**

More than last year by \$1.4 million at \$17.3 million

- **Endowment Fund - \$40.8 million**

More than last year by \$3.8 million at \$37.1 million

FY 2015 Sept – Nov 2014

1st Quarter Highlights

- **General Fund Revenue - \$5.0 million**

Less than budget by \$109,346

Dues income @ \$1.3 million is less than budget by \$4,130

Publishing revenue @ \$3.3 million less than budget by \$21,084

*higher online sales in ALA Editions/TechSource

*lower sales related to library promotions in Graphics

*lower royalties in Booklist

- **General Fund Expenses - \$5.9 million**

More than budget by \$25,427

FY 2015 Sept – Nov 2014 *1st Quarter Highlights*

General Fund

Revenues/Expenses/Net Revenue

	<u>Nov 2013</u>	<u>Nov 2014</u>	<u>Budget</u>	<u>Variance</u>
Total Revenues	\$ 4,845,685	\$ 4,947,533	\$ 5,056,879	\$(109,346)
Total Expenses	<u>\$ 5,805,690</u>	<u>\$ 5,870,594</u>	<u>\$ 5,845,167</u>	<u>\$(25,427)</u>
Net Revenue	\$ (960,006)	\$ (923,061)	\$ (788,289)	\$(134,772)

FY 2015 Sept – Nov 2014 *1st Quarter Highlights*

Divisions

Revenue / Expenses

- **Divisions Revenue - \$2.8 million**

More than budget by \$175,167

Less than the first quarter in FY14 by \$802,181

*No AASL conference held in 10/14 as compared to 10/13

Dues income @ \$677,152 is more than budget by \$10,871

- **Divisions Expenses - \$3.1 million**

Less than budget by \$440,225

Less than the first quarter in FY14 by \$582,424

FY 2015 Sept – Nov 2014 *1st Quarter Highlights*

Divisions

Revenues/Expenses/Net Revenue

	<u>Nov 2013</u>	<u>Nov 2014</u>	<u>Budget</u>	<u>Variance</u>
Total Revenues	\$ 3,630,788	\$ 2,838,607	\$2,663,440	\$175,167
Total Expenses	<u>\$ 3,644,262</u>	<u>\$ 3,061,838</u>	<u>\$3,502,063</u>	<u>\$ 40,225</u>
Net Revenue	\$ (3,474)	\$ (223,231)	\$(838,622)	\$615,392

FY 2015 Sept – Nov 2014 *1st Quarter Highlights*

Round Tables

Revenues / Expenses

◆ **Round Tables Revenue - \$52,455**

Less than budget by \$11,127

Less than the first quarter in FY14 by \$8,173

◆ **Round Tables Expenses - \$18,448**

Less than budget by \$33,630

Less than the first quarter in FY14 by \$1,266

FY 2015 Sept – Nov 2014 *1st Quarter Highlights*

Round Tables

Revenues/Expenses/Net Revenue

	<u>Nov 2013</u>	<u>Nov 2014</u>	<u>Budget</u>	<u>Variance</u>
Total Revenues	\$ 60,628	\$ 52,455	\$ 63,582	\$(11,127)
Total Expenses	<u>\$ 19,714</u>	<u>\$ 18,448</u>	<u>\$ 52,079</u>	<u>\$ 33,630</u>
Net Revenue	\$ 40,914	\$ 34,007	\$ 11,503	\$ 22,504

Allowing Programs at Midwinter Meetings

**BARC report on
proposed resolution**

ALA **Financial Learning** Series

Topics of Webcasts

- ◆ Organizational Structure
- ◆ Budget Cycle and Process
- ◆ The Operating Agreement
- ◆ The Long-Term Investment Fund
- ◆ Round Tables Financial Orientation

Finances Best Practices Session

- For members interested in ALA financial practices
- Participants bring varied knowledge levels about ALA financial practices.
- Offered annually on Friday afternoon, Midwinter Meeting

Online ALA Financial Information

ALA finance-related websites

Treasurer's Page

<http://www.ala.org/aboutala/governance/financialdata/treasurerspage>
(offers reports, resources and links to the five webcasts)

ALA Online Learning Offerings by Unit

<http://ala.org/onlinelearning/unit> (Brief descriptions of units' learning programs)

ALA Online Learning webcasts

<http://ala.org/onlinelearning/unit/finance> (links to the page for the five webcasts)

<http://ala.org/onlinelearning/unit/governance> (links to the page for the five webcasts)

ALA YouTube Channel - Financial Learning Series Playlist

<http://www.youtube.com/user/AmLibraryAssociation#g/c/4234E31B4C2F3EE9>
(links to the five webcasts)

**Thank you for your
commitment to ALA**

**Patricia A. Wand
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