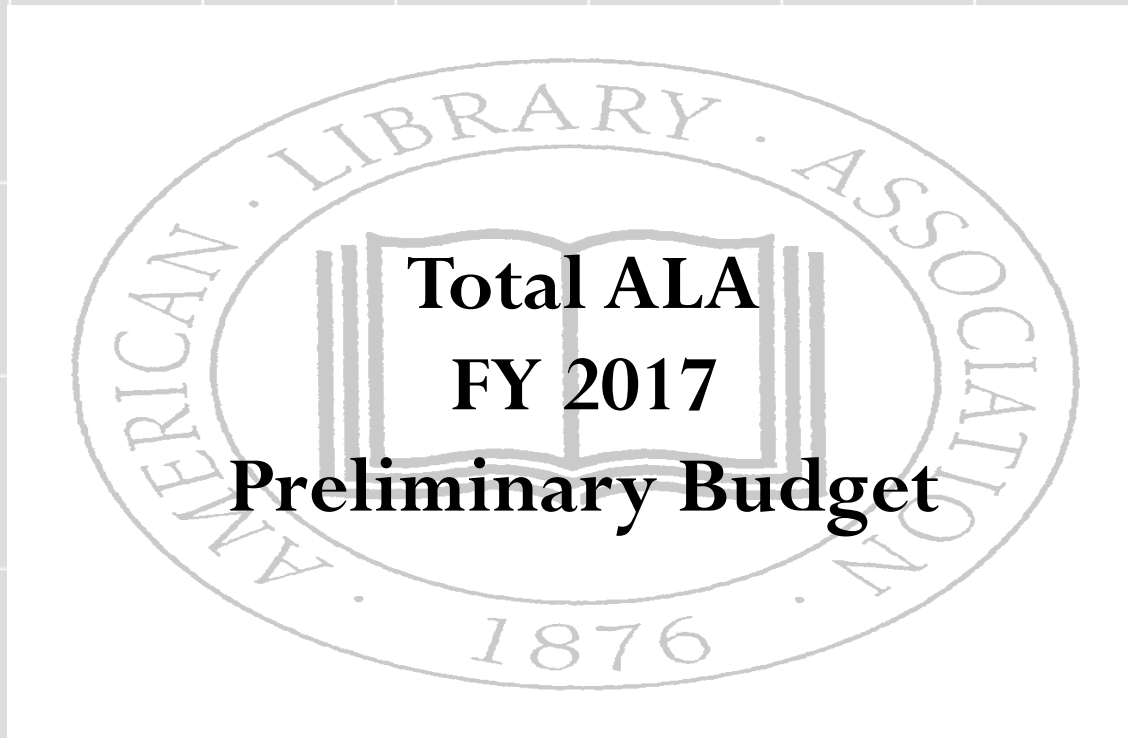


American Library Association



Presented by:

Keith Michael Fiels – Executive Director

Mark Leon – Chief Financial Office

Executive Board

2015 - 16 Spring Meeting

April 16, 2016

Mission of the ALA

“To provide leadership for the development, promotion, and improvement of library and information services and the profession of librarianship in order to enhance learning and ensure access to information for all.”

ALA Programmatic

Priorities — *Aligned with the FY 2017 Budget*

- Advocacy for Libraries and the Profession

- Diversity

- Equitable Access to Information and Library Services

- Education and Lifelong Learning

- Literacy

- Organizational Excellence

- Intellectual Freedom

- Transforming Libraries



Total ALA FY 2017 Budget Overview

*Focused on the Advances to Fulfill the Strategic Directions
and Improving the Enabling Strategies*

ALA Strategic Directions

- **Advocacy** — ALA shall advocate the public value of librarians, libraries and information services
- **Information Policy** — ALA, operating in the public interest, focuses at every level on a diverse set of policy areas that include; intellectual freedom, privacy, civil liberties, telecommunications, funding for education and research programs, funding for libraries, copyright and licensing, government information and literacy.
- **Professional and Leadership Development** - The professional and leadership development of librarians and library workers is essential to high-quality professional practice and the future of libraries and information services.

Enabling Strategies

- Member Involvement and Engagement
- Assessments and Evaluation
- Division Engagement
- Technology Infrastructure
- Publishing and Conferences
- Communications, PR and Marketing
- Staffing
- Partnerships
- Governance and Committee Structure
- Revenue Streams and fundraising

KEY PROGRAMMATIC INITIATIVES

- Advocacy
- Information Policy
- Professional and Leadership Development

Advocacy

- Libraries Transform – Public Awareness Office (PAO), Office for Library Advocacy (OLA), Chapter Relations Office (CRO)
- Advocacy Bootcamp – OLA and Office for intellectual Freedom (OIF)
- Advocacy Implementation Plan – PLA and UFL
- Libraries transform: The Expert in the Library – Executive Office and HRDR
- Trend identification - Center for the Future of Libraries
- School Library Advocacy & ESSA – AASL, OLA, PAO and WO
- Data Based Advocacy – OLA, PAO, ORS, PLA, ACRL
- Advocacy Journalism - American Libraries

Information Policy

- Federal Legislation for IMLS programs, preservation of fair use and copyright policies - OGR
- Presidential transition - OGR, OITP
- Digital Content – OITP
- Open Education Resources, Copyright Alliance, Net Neutrality – AASL, ACRL, LITA
- Research support – ORS, Library and Archives

Professional and Leadership Development

- Second year as certification course provider – ALA and ALA-APA
- Expand Accessibility Academy via online tutorials - ASCLA
- Library leadership and management competencies - LLAMA
- Educopia's NEXUS II grant to develop leadership development opportunities - ACRL
- Digital badging - CFL partnering with ALCTS, LITA, HRDR, ODLIS
- Guidance, tools and training to increase e-rate funding - OITP
- 3rd ALA library conference at Sharjah - IRO
- 5th annual ALA Leadership Institute – Executive Office

Enabling Strategies

- Assessment and evaluation
- Governance and committee structure
- Staffing
- Communications, PR and marketing
- Revenue and fundraising
- Division engagement
- Technology infrastructure
- Publishing and conferences
- Member involvement & engagement
- Partnerships

Enabling Strategies

Assessment and Evaluation

- Strategic directions assessment framework
- Outcome based assessment – PLA, PPO, ACRL, ODLOS

Enabling Strategies

Governance and Committee Structure

- Turning outward – PPO and ALA units
- New structures – LLAMA, AASL, ODLOS, OITP

Enabling Strategies

Staffing

- 1% salary increase
- 1.5 FTE increase in ITTS
- Member Development/MACCS merge
- Publishing
- PLA Gates legacy grant
- ACRL, ALSC, CFL, OLA project support

Enabling Strategies

Communications, PR and Marketing

- Libraries Transform as consistent framework for messaging
- Use of social media – PAO and ALA units
- New policy communication framework – OITP
- Daily news releases - AL

Enabling Strategies

Revenue and Fundraising

- Continuing education: eLearning, sponsored webinars, f2f events
- Endowment campaign – Development & units
- Annual Campaign – Development
- Membership development

Enabling Strategies

Division Engagement

- Ongoing conversations with division leadership and EDs
- Significant collaboration in Advocacy, Information Policy and Professional and Leadership development initiatives

Enabling Strategies

Technology Infrastructure

- Implementation of strategic roadmap and IT external review recommendations
- Responsive design
- Search function
- New ALA Connect
- eCommerce system: Dues, eLearning, publications and products
- System upgrades and cloud based services

Enabling Strategies

Publishing and Conferences

- Conferences: Midwinter in Atlanta, Annual in Chicago, ACRL in Baltimore
- Publishing: Increase in number of publications, online products, strong division publishing, unified eCommerce system

Enabling Strategies

Member Involvement & Engagement

- Making ALA more welcoming
- Member satisfaction survey, kitchen table conversations
- Engage ALA and Join ALA mini sites
- Work with divisions on new engagement paths

Enabling Strategies

Partnerships

- Advocacy plan implementation – OLA , UFL, PLA working with Gates, Aspen, OCLC, ULC, EveryLibrary, Library Strategies and others
- Policy revolution: strengthened collaborations – OITP, OGR
- German Library Association, Sharjah - IRO

2017 Budget



ALA's Financial Value Proposition

“To develop and deploy the financial resources that support the strategic plan and deliver programs that are responsive to member needs and the general improvement of library service and the profession.”

Budget Operating Highlights

- Total operating revenues of \$47,755,588 (down 5.4% from FY16)
- General Fund operating revenues of \$29,074,444 (up 1.1% from FY16)
- A 1% compensation increase for staff, along with an additional organization incentive as a top priority for any positive year-end results
- Publishing revenue of \$12,894,222 (flat)
- An increase of \$291,220 in conferences contribution margin
- An increase of \$166,000 in the ITTS operating budget
- A request of the Board for additional approval to use \$400,000 in additional investment income in support of ITTS' capital expenditures for enhancing the Technology Infrastructure enabling strategy
- An ACRL national conference in Baltimore, MD

Total ALA FY 2017 Budgetary Ceiling

Net Assets

(Unexpended balance remaining from FY 2016)

+

Revenue

(Anticipated for FY 2017)

=

Budgetary Ceiling

FY 2017 Total Budget Revenues By Fund

\$47,755,588

TOTAL ALA OPERATIONS

TOTAL ALA OPERATIONS			
OPERATING FUND \$43,127,471	PLANT FUND \$0	GRANTS & AWARDS \$3,413,210	LONG TERM INVESTMENTS \$1,214,907
General Fund \$29,074,333	Headquarters Building	Exchange Trans (G)	Unrestricted
Divisions \$13,611,230	Washington & Choice Offices Operating	Exchange Trans (NG)	Temporarily Restricted
Round Tables \$441,908	Furniture & Equipment	Contributions (NG)	Permanently Restricted
			Huron Plaza Property

FY 2017 Total Budgetary Ceiling By Fund

\$64,379,278

TOTAL ALA OPERATIONS

OPERATING FUND \$60,599,800		PLANT FUND \$0		GRANTS & AWARDS \$3,413,210		LONG TERM INVESTMENTS \$366,268	
General Fund \$30,120,362		Headquarters Building		Exchange Trans (G)		Unrestricted	
Divisions \$28,387,887		Washington & Choice Offices Operating		Exchange Trans (NG)		Temporarily Restricted	
Round Tables \$2,091,551		Furniture & Equipment		Contributions (NG)		Permanently Restricted	
		Capital Budget \$2,087,894				Huron Plaza Property	

Fiscal 2017 Budgetary Ceiling

TOTAL ALA BUDGETARY CEILING
(for approval) A+B

General Fund	Divisions	Round Tables	Grants & Awards	Long-Term Investment	TOTAL ALL FUNDS
\$ 30,120,362	\$28,387,887	\$2,091,551	\$ 3,413,210	\$ 366,268	\$64,379,278

A) Net Asset Balance (projected at end of FY 2016)

\$ -	\$ 14,761,317	\$ 1,649,643	\$ -	\$ -	\$ 16,410,960
------	---------------	--------------	------	------	---------------

FY 2017 Budgeted Revenues (before transfers)

\$ 29,074,333	\$ 13,611,230	\$ 441,908	\$ 3,413,210	\$ 1,214,907	\$ 47,755,588
---------------	---------------	------------	--------------	--------------	---------------

FY 2017 Budgeted Revenue Transfers

Interest & dividend transfer to General Fund	\$ 981,029	\$ -	\$ -	\$ -	\$ (981,029)	\$ -
Spectrum interest & dividends	\$ -	\$ -	\$ -	\$ -	\$ 212,730	\$ 212,730
Life Member Dues	\$ 68,000	\$ 12,340	\$ -	\$ -	\$ (80,340)	\$ -
Continuing Members	\$ (3,000)	\$ 3,000	\$ -	\$ -	\$ -	\$ -

B) Total Revenues (budgeted plus transfers)

\$ 30,120,362	\$ 13,626,570	\$ 441,908	\$ 3,413,210	\$ 366,268	\$ 47,968,318
---------------	---------------	------------	--------------	------------	---------------

TOTAL ALA BUDGETARY CEILING

<u>\$ 30,120,362</u>	<u>\$ 28,387,887</u>	<u>\$ 2,091,551</u>	<u>\$ 3,413,210</u>	<u>\$ 366,268</u>	<u>\$ 64,379,278</u>
----------------------	----------------------	---------------------	---------------------	-------------------	----------------------

General Fund Revenues/Expenses

2014 - 2017



	2014	2015	2016	2017
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Proposed</u>
Revenues	\$28,266,173	\$29,024,423	\$29,535,774	\$30,055,362
Expenses	<u>\$27,659,586</u>	<u>\$28,745,048</u>	<u>\$29,535,774</u>	<u>\$30,055,362</u>
Net Revenues	<u>\$ 606,587</u>	<u>\$ 279,375</u>	<u>\$ 0</u>	<u>\$ 0</u>

Membership and Dues Revenue

2014 - 2017

	2014	2015	2016	2017
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Proposed</u>
Members – All				
Types	54,166	55,583	59,507	59,250
Dues Revenue	\$ 5,549,793	\$5,415,745	\$ 5,596,340	\$ 5,538,000

- Continued efforts in several initiatives to maintain and grow
- Dues revenue lower in 2017 by 1%

Revenue Producing Units

Net Revenues/Total Contribution: 2014 – 2017

	2014 <u>Actual</u>	2015 <u>Actual</u>	2016 <u>Budget</u>	2017 <u>Proposed</u>
Publishing	\$ 943,656	\$ 630,005	\$ 1,063,731	\$ 1,507,653
Meetings & Conferences	\$ 946,174	\$ 747,678	\$ 598,021	\$ 979,956
Net Revenues	<u>\$ 1,889,830</u>	<u>\$ 1,377,683</u>	<u>\$ 1,661,752</u>	<u>\$ 2,487,609</u>
Overhead Contribution	\$ 5,204,961	\$ 5,575,198	\$ 5,724,255	\$ 5,369,008
Total Contribution	<u>\$ 6,882,649</u>	<u>\$ 6,465,321</u>	<u>\$ 6,907,051</u>	<u>\$ 7,538,258</u>

- Annual Conference – Chicago, Midwinter Meeting - Atlanta
- Conference revenue projected to increase by 4.4% from FY16
- Publishing revenue projected to be flat at \$12.9 million, which expenses are lower by 3.7% at \$11.4 million

Revenue Producing Units

Total Contribution: 2014 – 2017

	<u>Publishing</u>	<u>Meetings & Conferences</u>	<u>Total</u>
2014	\$ 4,142,737	\$ 2,952,054	\$6,882,649
2015	\$ 3,841,505	\$ 3,111,376	\$6,465,321
2016*	\$ 4,404,663	\$ 2,981,344	\$6,907,051
2017*	\$ 4,584,054	\$ 3,272,563	\$7,538,258

*Budget

Long-Term Investments

2014 – 2017

	2014	2015	2016	2017
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Proposed</u>
LTI Revenues	\$ 1,918,488	\$ 911,406	\$ 764,772	\$ 1,214,907
Interest/Dividends to be Transferred to GF	<u>\$ 556,983</u>	<u>\$ 783,568</u>	<u>\$ 559,576</u>	<u>\$ 981,029</u>

Grants & Awards

2014 – 2017

2014

2015

2016

2017

Actual

Actual

Budget

Proposed

Grant Revenues

\$ 4,954,945 \$ 7,224,274 \$ 4,861,264 \$ 3,413,210

Overhead Contribution \$ 350,301 \$ 410,825 \$ 523,344 \$ 523,344

Capital Expenditures

2014 - 2017

	<u>2014 Actual</u>	<u>2015 Actual</u>	<u>2016 Budget</u>	<u>2017 Proposed</u>
Capital Expenditures	\$ 2,026,306	\$ 1,530,974	\$ 1,743,460	\$ 2,087,894

- Reflects ALA's long-term investment in its infrastructure and building maintenance
 - Prioritizes investment in e-commerce and other critical systems
-

Division Revenues/Expenses

2014 - 2017

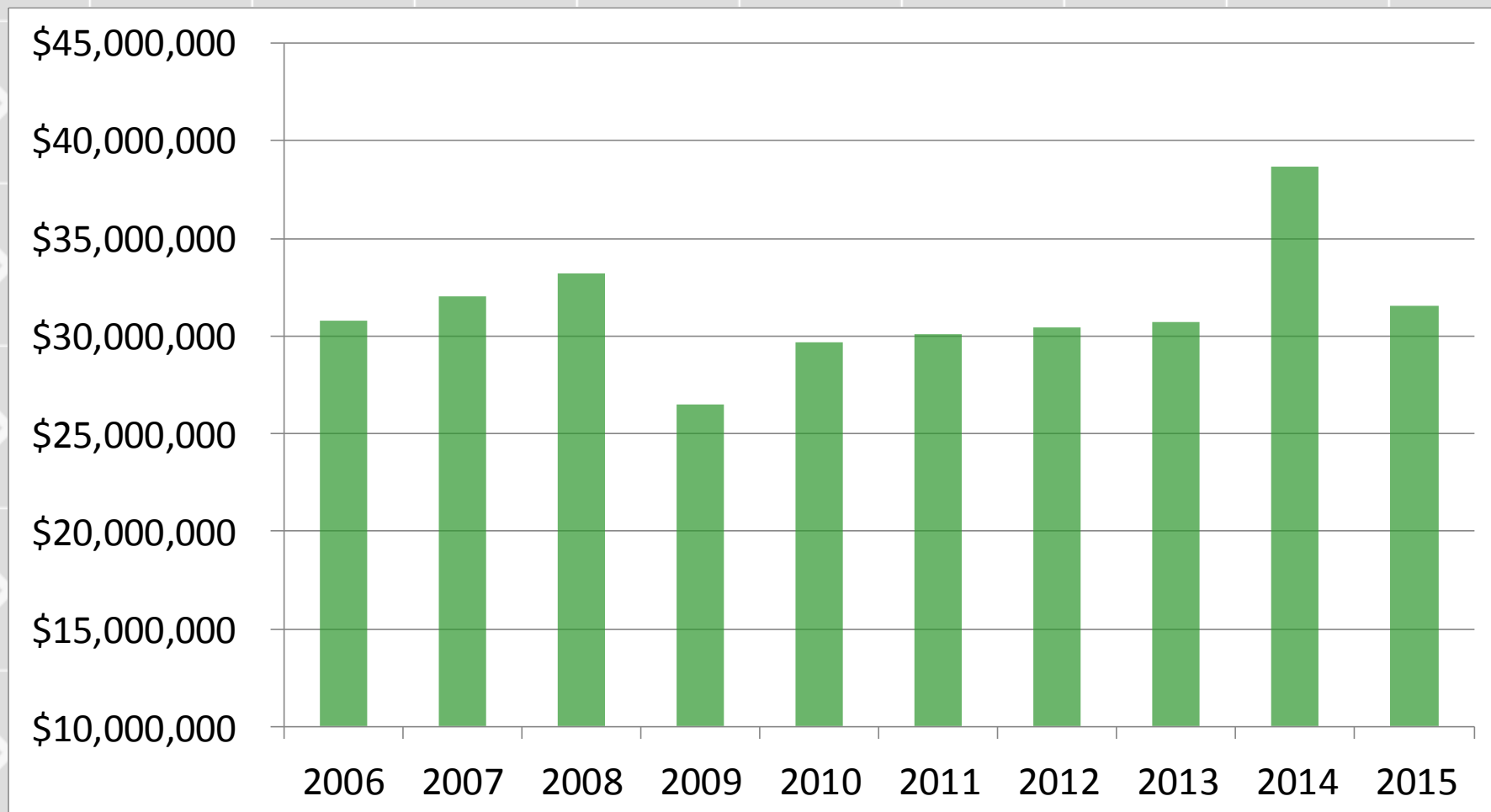
	2014	2015	2016	2017
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Proposed</u>
Revenues	\$15,581,358	\$14,308,910	\$15,655,195	\$13,611,230
Expenses	<u>\$14,196,747</u>	<u>\$14,637,658</u>	<u>\$16,497,456</u>	<u>\$15,716,171</u>
Net Revenues	<u>\$ 1,384,611</u>	<u>(\$ 328,748)</u>	<u>(\$ 842,261)</u>	<u>(\$2,104,941)</u>

Roundtables Revenues/Expenses

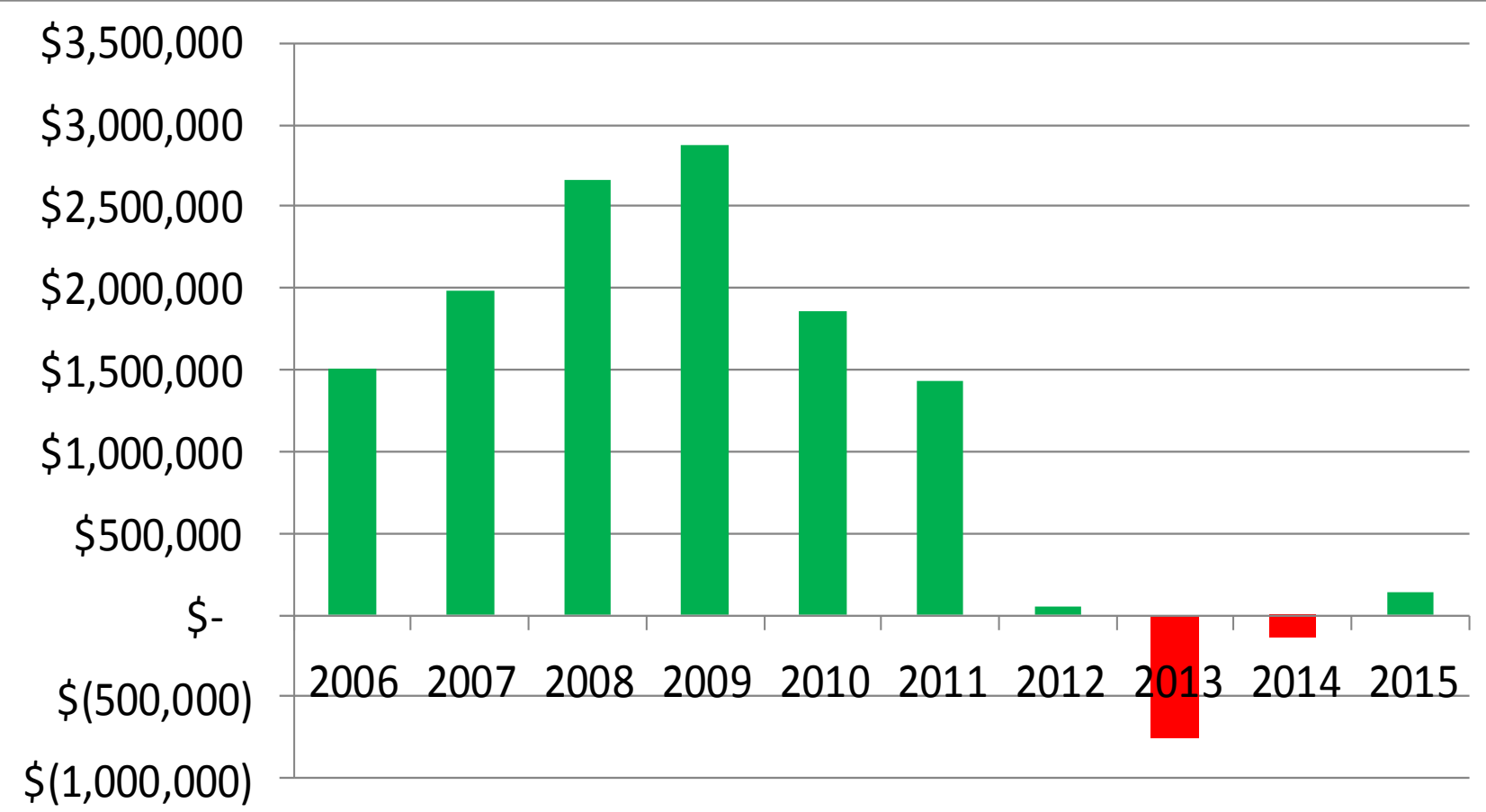
2014 - 2017

		2014	2015	2016	2017
		<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Proposed</u>
Revenues	\$	358,257	428,775	389,887	441,908
Expenses	\$	<u>216,753</u>	<u>263,737</u>	<u>342,630</u>	<u>416,808</u>
Net Revenues	\$	<u>141,504</u>	<u>165,038</u>	<u>47,257</u>	<u>25,100</u>

Total ALA Net Asset Balance: 2006 - 2015



General Fund Net Asset Balance: 2006 - 2015



Finance and Audit Committee Recommendations

Motion: F&A recommends to the Executive Board that the preliminary FY 2017 budget proposal - EBD #14.7 be forwarded to the Budget Analysis and Review committee (BARC) for further analysis and review. The Board affirms the strategic direction of the budget and requests that BARC report back on its analysis at the 2016 Annual Conference in Orlando, FL.

Motion: F&A recommends to the ALA Executive Board approval to provide staff with a 1% increase in compensation, along with consideration for an additional one-time organizational incentive as a top priority based on any positive 2017 year-end results.



Thanks for your attention