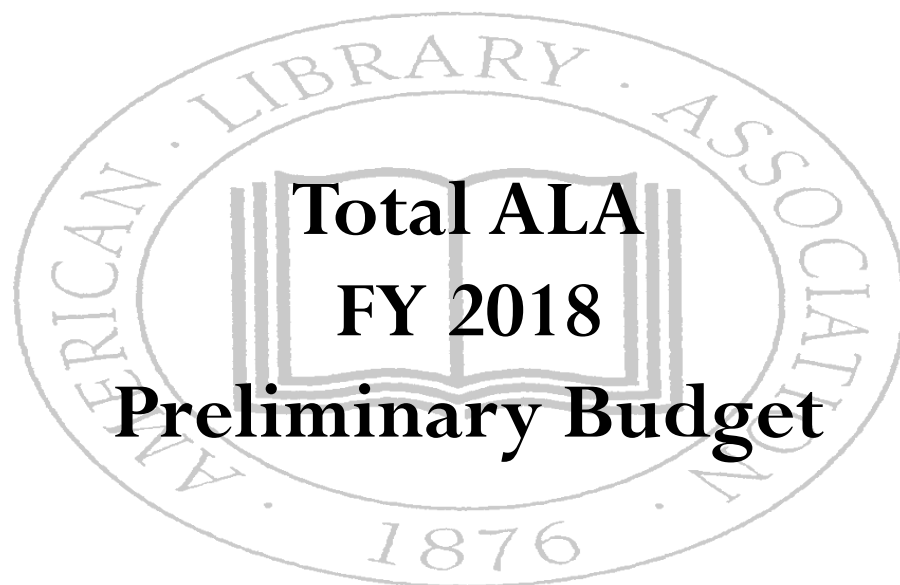


American Library Association



**Total ALA
FY 2018
Preliminary Budget**

Presented by:

Keith Michael Fiels – Executive Director

Mark Leon – Chief Financial Office

Executive Board

2016 - 17 Spring Meeting

April 8, 2017

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 2018 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

ALA Strategic Directions

- Advocacy
- Information Policy
- Professional and Leadership Development
- Equity, Diversity and Inclusion

Enabling Strategies

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

ENVIRONMENTAL ASSESSMENT

REVENUE HIGHLIGHTS

- Overall ALA operating budget revenues of \$51,400,000.
- Overall general fund revenues of \$29,571,000.
- A \$482,000 increase in general fund publishing revenues from the prior year, based on the release of AASL standards.
- A \$364,000 increase from prior year in overhead contribution, in large part due to two division conferences (PLA and AASL).
- An increase in donations that will be used to fund \$150,000 of one time initiatives that advance ALA's strategic directions.
- A slightly lower revenue estimate for conferences based on conference sites (New Orleans vs. Chicago) and a slight decrease in projected membership revenue.

EXPENSE HIGHLIGHTS

- Overall ALA operating budget expenses of \$52,468,000 (this includes over \$1 million in divisional investments in membership, strategic priorities, capacity and revenue building)
- Overall general fund expenses of \$29,570,000. Both revenue and expenses are level from last year's budget. The proposed 2018 budget shows a small surplus of revenue over expenditures.
- A two per cent compensation increase for ALA staff. (impact on the general fund is approximately \$250,000)
- An increase in health care costs (impact on the general fund is approximately \$140,000)
- An increase of \$ 108,500 in the ITTS operating budget to support the 1) new ecommerce system and ALA online store, 2) new ALA Connect and 3) new responsive web design.
- Increases in the budgets for ODLOS, OIF, HRDR, OLA and the Center for the Future of Libraries to support the ALA strategic directions.
- \$150,000 in one time initiatives supporting the strategic initiatives, enabling strategies and generating new revenue.
- Reductions in general fund non-programmatic expenses to offset salary increase, health care cost increases, ITTS projects and focus on programmatic priorities.

KEY PROGRAMMATIC HIGHLIGHTS

Advocacy

- Priority placed on advocating for the preservation of federal funding for libraries and programs impacting libraries
- Year three of the libraries transform public awareness campaign. 2017-2018 with a focus on: “Libraries Transform, Libraries Lead”
- Increased face to face and online advocacy training provided in collaboration with chapters and affiliates
- Continued development of outcome measures documenting the impact of libraries and library programs on students and the public
- Realignment of staffing and resources within AMR to increase social media impact and response capacity

Information Policy

- Priority focus on preserving critical federal programs and policies affecting access to information, including copyright, access to government information, privacy
- Increased face to face and online training in intellectual freedom issues

Professional and Leadership Development

- Implementation of Annual conference redesign to create a better attendee experience and a more sustainable model going forward.
- Full operation of the new “Next Gen” ALA online learning site.
- Realignment of staffing and working groups to support the professional and leadership development strategies.
- Widespread work across ALA on identifying competencies and supporting professional development curricula.
- Release of the new AASL standards for school libraries.
- 400 online professional development events and 100,000 participants.
- A presidential initiative designed to create a stronger, integrated leadership program for the association.
- A new ALA digital consulting service

Equity, Diversity and Inclusion

- Continued focus on implementation of recommendations of Task Force on Equity, Diversity and Inclusion recommendations within the framework provided by the new EDI strategic direction
- Increased efforts to increase recruitment efforts targeted at creating a more diverse library workforce
- Strengthening Spectrum scholarship program to help increase retention and provide increased leadership development support

KEY PROGRAMMATIC INITIATIVES

ENABLING STRATEGIES

2018 PRELIMINARY BUDGET SUMMARY

ALA FINANCIAL PLAN

- Five Year Financial Plan
(FY 2018 – 2022)

FY 2018 Total Budget Revenues By Fund

\$51,860,319

TOTAL ALA OPERATIONS

TOTAL ALA OPERATIONS			
OPERATING FUND \$46,059,494	PLANT FUND \$0	GRANTS & AWARDS \$4,551,616	LONG TERM INVESTMENTS \$1,249,209
General Fund \$29,642,027	Headquarters Building	Exchange Trans (G)	Unrestricted
Divisions \$16,000,377	Washington & Choice Offices Operating	Exchange Trans (NG)	Temporarily Restricted
Round Tables \$417,090	Furniture & Equipment	Contributions (NG)	Permanently Restricted
			Huron Plaza Property

Fiscal 2018 Budgetary Ceiling

\$66,766,324

Background and purpose: As part of ALA's annual budget process, a budgetary ceiling is calculated and presented to the Budget Analysis and Review Committee (BARC) for approval. The budgetary ceiling document captures and presents all available resources, or sources of funds, that can be expended during the subsequent fiscal year. Sources include a starting amount represented by any accumulated Net Asset Balances, where applicable, built up over previous fiscal years. Additionally, these Net Asset balances are supplemented by budgeted revenues as well as any inter-fund transfers. The total of these sources represents the ceiling, or maximum available resources from all sources. BARC is charged with reviewing and approving the individual fund ceilings and Total All Funds ceiling presented in the bottom row below.

	General Fund*	Divisions	Round Tables	Grants & Awards	Long-term Investment	TOTAL ALL FUNDS
A) Net Asset Balance (projected at end of FY 2017)	Not Applicable	13,116,128	1,789,877	Not Applicable	Not Applicable	14,906,005
FY 2018 Budgeted Revenues (before transfers)	28,982,844	15,985,152	417,090	4,551,616	1,702,429	51,639,131
FY 2018 Budgeted Revenue Transfers:						
Interest & dividend transfer to\from General Fund	588,583				(588,583)	0
Spectrum interest & dividends					221,188	221,188
Life Member Dues	73,000	12,825			(85,825)	0
Continuing Members	(2,400)	2,400				0
B) Total Revenues (budgeted plus transfers)	29,642,027	16,000,377	417,090	4,551,616	1,249,209	51,860,319
A+B) = TOTAL ALA BUDGETARY CEILING (for approval)	29,642,027	29,116,505	2,206,967	4,551,616	1,249,209	66,766,324

General Fund Revenues/Expenses 2015 - 2018

	2015	2016	2017	2018
	Actual	Actual	Budget	Proposed
Revenues	\$ 29,024,423	\$ 27,304,643	\$ 29,587,223	\$ 29,571,427
Expenses	<u>\$ 28,745,048</u>	<u>\$ 29,496,849</u>	<u>\$ 29,587,223</u>	<u>\$ 29,571,427</u>
Net Revenues	\$ 279,375	\$ (2,192,206)	\$ 0	\$ 0

Membership and Dues Revenue 2015 - 2018

	2015	2016	2017	2018
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Proposed</u>
Members – All Types	55,583	56,976	59,250	56,000
Dues Revenue	\$5,415,745	\$ 5,592,444	\$ 5,538,000	\$ 5,472,600

Revenue Producing Units Overhead Contribution: 2015 – 2018

	<u>Publishing</u>	<u>Meetings & Conferences</u>	<u>Total</u>
2015	\$ 3,211,500	\$ 2,363,698	\$5,575,198
2016	\$ 3,031,812	\$ 2,162,644	\$5,194,456
2017*	\$ 3,280,485	\$ 2,537,753	\$5,818,238
<hr/>			
2018**	\$ 3,647,420	\$ 2,467,047	\$6,114,467

Revenue Producing Units

Total Contribution: 2015 – 2018

	2015	2016	2017	2018
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Proposed</u>
Publishing	\$ 630,008	\$ 471,510	\$ 1,507,653	\$ 1,041,489
Meetings & Conferences	<u>\$ 747,678</u>	<u>\$ 45,871</u>	<u>\$ 979,956</u>	<u>\$ 660,566</u>
Net Revenues	<u>\$ 1,377,686</u>	<u>\$ 517,381</u>	<u>\$ 2,487,609</u>	<u>\$ 1,702,055</u>
Overhead Contribution	\$ 5,575,198	\$ 5,194,456	\$ 5,818,238	\$ 6,114,467
Total Contribution	<u>\$ 6,952,884</u>	<u>\$ 5,711,837</u>	<u>\$ 8,305,847</u>	<u>\$ 7,816,522</u>

Division Revenues/Expenses 2015 - 2018

	2015	2016	2017	2018
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Proposed</u>
Revenues	\$14,308,910	\$15,813,475	\$13,786,800	\$16,000,377
Expenses	<u>\$14,637,658</u>	<u>\$15,096,768</u>	<u>\$15,717,897</u>	<u>\$17,036,121</u>
Net Revenues	<u>(\$ 328,748)</u>	<u>\$ 716,707</u>	<u>(\$1,931,097)</u>	<u>(\$1,035,744)</u>

Roundtables Revenues/Expenses 2015 - 2018

	2015	2016	2017	2018
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Proposed</u>
Revenues	\$ 428,775	\$ 434,927	\$ 439,914	\$ 417,090
Expenses	<u>\$ 263,737</u>	<u>\$ 229,911</u>	<u>\$ 415,912</u>	<u>\$ 479,790</u>
Net Revenues	<u>\$ 165,038</u>	<u>\$ 205,016</u>	<u>\$ 24,002</u>	<u>\$ (62,700)</u>