TO: ALA Executive Board
Budget Analysis and Review Committee (BARC)

DATE: January 23, 2018

INFORMATIONAL:

FY19 Budget Instructions & Assumptions

PRESENTED BY:

Mark Leon, Chief Financial Officer
Brad Geene, Director Planning & Budgeting

OVERVIEW

Documents communicating initial Fiscal Year 2019 budget process components to all ALA Unit Managers. It is a summarization of assumptions, process timeline and due dates, as well as training opportunities for budgeting software.
Fiscal Year 2019 Table of Assumptions

Please refer to these FY 2019 Budget Assumptions when preparing your budget. Note that any changes to these assumptions will be communicated to all managers.

<table>
<thead>
<tr>
<th>CATEGORY</th>
<th>FY 2019 ASSUMPTION</th>
<th>COMMENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>NON-PERSONNEL:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Indirect Cost Overhead Rate (full)</td>
<td>26.5%</td>
<td>Based on Indirect Cost Study</td>
</tr>
<tr>
<td>Indirect Cost Overhead Rate (half)</td>
<td>13.25%</td>
<td>Web CE revenue</td>
</tr>
<tr>
<td>Grant Rate (Preliminary)</td>
<td>22.88%</td>
<td>Provisional Federal rate</td>
</tr>
<tr>
<td>Endowment Spending Rate</td>
<td>5.0%</td>
<td></td>
</tr>
<tr>
<td>Inflation Rate</td>
<td>2.0%</td>
<td></td>
</tr>
<tr>
<td>Bank Service Fees</td>
<td>2.85%</td>
<td>GL Line (5122) Bank S/C</td>
</tr>
<tr>
<td>Subscription Processing (IUT)</td>
<td>$6.00 &amp; $6.30 RDA</td>
<td>GL Line (5903-4)</td>
</tr>
<tr>
<td>Registration Processing Fee</td>
<td>$5.55</td>
<td></td>
</tr>
</tbody>
</table>

**Benefits expense will be derived via formula calculations within Prophix**:  

<table>
<thead>
<tr>
<th>Benefits expense</th>
<th>FY 2019 ASSUMPTION</th>
<th>COMMENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee Benefits</td>
<td>System generated</td>
<td>Formulas in budget template</td>
</tr>
<tr>
<td>Employee Benefits – Temps &amp; OT</td>
<td>System generated</td>
<td>Formulas in budget template</td>
</tr>
<tr>
<td>Attrition %</td>
<td>4.5%</td>
<td>Formulas in budget template</td>
</tr>
</tbody>
</table>

* Formula based calculations within Prophix:

Please note that a series of refresher training sessions will be scheduled to review the formula-based salary and benefits budgeting process within Prophix.

**Carnegie Room Dates: Details to follow for training 1/31 – 3/7 along with one-on-one training as needed or for those who can’t attend.**

**Salary & Benefits Budgeting Process**

Very briefly, last fiscal year we replaced a process that entailed an export of UltiPro payroll data that was then distributed via Excel and Outlook to Unit Managers. Each manager would then have to manually complete all calculations and data enter the aggregate results into the budget template, often multiple times.
New Process

This second year of a new automated process brings the same UltiPro salary data directly into Prophix, with view access limited by the Unit level security attached to that specific manager’s login credentials. This security is controlled solely by ITTS. Formulas within Prophix will then apply Senior Management’s assumptions for benefits expense and attrition as well as sum and distribute total benefits expense by unit directly into the budget templates.
American Library Association

Fiscal Year 2019 Budget Process

Jan 08 – Voting on pre-populating FY19 Budget Template for Funds 11,12, and 13 closes. (Y vs. N)

Jan 16 & 18 – 2nd Sr. Management Budget Planning Retreat


Jan 31 – Prophix & Budget Process Training (walk-in open-house sessions)
Feb 02 – Prophix & Budget Process Training (walk-in open-house sessions)

ALA MIDWINTER – Denver, CO

Feb 16 – Prophix & Budget Process Training (walk-in open-house sessions)
Feb 28 – Prophix & Budget Process Training (walk-in open-house sessions)
Mar 02 – Prophix & Budget Process Training (walk-in open-house sessions)
Mar 07 – Prophix & Budget Process Training (walk-in open-house sessions)

Refresher Training!

Feb 28 – Prophix & Budget Process Training (walk-in open-house sessions)

Mar 02 – Senior Management Team FY19 Budget Review – Day 1
Mar 07 – Senior Management Team FY19 Budget Review – Day 2

Mar 20 - PLA CONFERENCE, Philadelphia, PA

Mar 23 – Prophix templates locked

30 data entry days (not counting MW\PLA)

FY 2019 Capital Requests due

Unit Overview forms due

Mar 26 – “Preliminary ALA FY19 Budget” presentation materials produced for BARC

Apr 13 – Upload all BARC materials to ALA Connect

Apr 19 – Spring Finance & Audit, Executive Board and BARC meetings commence