

**YALSA Board of Directors Meeting
ALA Annual Conference, Chicago
June 28 – July 2, 2013**

Topic: Fiscal Officer Report

Background: FY13 began September 1, 2012. As of June 16th, fiscal reports are available through May. A report based on that data from Pam Spencer Holley, Fiscal Officer, is provided below. With just two months left in the fiscal year, the board will want to discuss strategies for maximizing revenues in order to meet YALSA's financial goals for the year.

Action Required: Discussion

Margaret Edwards Trust

Julian Lapidés, head of the Trust, approached YALSA in 2012 to see if the Trust finances could be administered by ALA/YALSA, due to the fact that the group is still being run by the remaining original trustees, who are at an advanced age. If ALA/YALSA could not administer the trust, then the funds would go to the ACLU per the instructions in Margaret Edwards' will. Of course YALSA would like to administer the trust, as it could help YALSA build capacity to support members' work around connecting their teen patrons to the world of young adult literature. ALA's legal counsel offered an opinion that clarified any legal questions as well as how to accomplish certain stipulations, but then the agreement between the Trust and ALA/YALSA languished in the Finance Office throughout the fall and winter of 2012/2013. By spring of 2013 it became imperative to finalize the transition of funds and responsibility to YALSA, both to ensure that YALSA has a chance to thank and honor the trustees but also to ensure that YALSA members would indeed be able to benefit from the funds. Kim Olsen-Clark, head of ALA Development, met recently with the Edwards trustees in Baltimore and plans are still in place to move the Trust funds, approximately \$800,000, to ALA/YALSA. Last word in June is that the trustee transfer language is being reviewed by Julian Lapidés.

Friends of YALSA

As you are aware from the e-mail that was sent to each of you reminding everyone of the responsibility of Board members to donate to Friends of YALSA, FOY has not done well this year and this is an area where efforts should be increased. The \$16,000 yearly target amount is to cover the expenses of those member awards, grants and stipends that do not have a corporate sponsor. In conversation with YALSA's Membership Coordinator, targeted e-mail blasts will begin to be sent quarterly highlighting different donor benefits. Although the FAC tried to generate interest in a virtual YALSA birthday cake contest, the event was not well-publicized, nor were members given early enough information in order to participate.

December to April changes in finances: Good News/Bad News

Revenues

Dues/Membership: Membership is slightly down, from a high of 5200 in March to a low of 5116 in May. Regular dues are down, but discounted ones [retirees and students] are up. FYI: Over the years, from 2005 to now, membership numbers have vacillated by more than 1100 members, ranging from a low of 4585 in 2005 to a high of 5717 in 2009 and averaging 5291 members a year. However, YALSA has come a long way since 2005 when we became financially stable enough to stop receiving ALA's small division subsidy.

Sales: Better than budget are self-published books; curriculum kits have recouped expenses and are showing a profit. *YALS* subscriptions are down by 49%

Continuing Education: Webinars, e-courses and institutes are all below budgeted amounts

Ads: *YALS* ads are now 63% below budget [from 79% in December] while E-News ads are 389% better than budget.

Donations: TRW donations slightly above budget and TTW below budget. FOY behind budget 56%

Expenses

Under budget: *YALS* [18%], Board and Committees; Wages [vacancy for CE position Nov – Jan]; Book publishing [delayed projects]; Recruitment [materials to conferences, workshops; postcard mailing to lapsed members]

Over budget: YA Lit Symposium 7%

Key Receivables

Instructional Kit sales in March and April, 2013 TRW donation from Zondervan

What's Left?

YALSA's net asset balance is \$168,492 and, according to not-for-profit best practices, it needs to be at \$201,168 [4 months' expenses] or, better, \$301,753 [6 months' expenses]. This number excludes endowments.

What Next?

A series of questions and answers between Executive Director and Fiscal Officer produced the following information items that may prove useful as we discuss ways to both reduce expenses and increase revenue while trying to accomplish targeted objectives in the Strategic Plan.

Mature Revenue Streams

1. *YALS* – should it remain only in print, where it is currently losing money due to fewer subscriptions and fewer ads, or go electronic? It's possible that an electronic publication could be less, the same or more money. What is also uncertain is how ad sales would perform in an electronic environment. Staff are putting together an RFP to identify possible electronic platforms.
2. E-courses have had decreasing participation levels. Are they worth continuing?

Strategic Plan/Budget Alignment

3. Advocacy requires more than mere words, it also requires funds to implement quarterly policy briefings in DC; printing and distributing issue papers as well as the “teens need libraries” advocacy brochure, updating the advocacy toolkit and other tasks as outlined in the Action Plan. However, there are no funds earmarked for advocacy in the FY14 budget other than travel expenses for the President, Executive Director and Advocacy Stipend Winner to attend National Library Legislative Day.
4. Research is a priority in the strategic plan; however, the only funds budgeted for it in the budget are for: JRLYA, Henne Award, and the Midwinter Paper Presentation.

New Projects

5. What to publish and with whom? Publishing with ALA Editions yields only a 10% cut for YALSA, so self-publishing has been a goal, as feasible. First year of a publication always yields high returns, but then the numbers rapidly fall off. YALSA has many bibliographic type print books but they become dated very quickly; results from the 2013 recommended lists mash-up offering may give us a feel for how an electronic product will sell. Expenses for a digital product such as this are minimal, but distribution needs to be done quickly so material is not dated. Preparations could be made in fall for the next mash-up so it can be ready for distribution much sooner after Midwinter. After the 2014 mash-up goes to market, staff will evaluate its success to determine whether or not to continue in future years.
6. If electronic mash-up sells well, the board may want to consider eliminating Popular Paperbacks entirely. It was difficult to fit the Popular Paperbacks into any of the mash-up lists as they are their own lists. Perhaps Popular Paperbacks for Young Adults can remain virtual and their lists added to each mash-up electronic product.
7. What, if anything, will take the place of CafePress? How can we garner more revenue from product sales?
8. Badges for librarians – how will that be sustainable once the grant funding ends?

Capacity

9. What can be done to secure funding for our non-sponsored member and book awards (book awards are: Alex, Morris and Nonfiction)?
10. E-courses have had decreasing participation levels. Are they worth continuing?

Revenue Strategies for now through August

3 largest revenue areas	Staff	Board
Dues	<ul style="list-style-type: none"> • Create customized communications to specific membership segments to keep retention rates up • Revisit membership messages on the web site and in the member brochure, based on the recommendations from NorthStar Strategies • In July/Aug. send recruitment emails to ALA members who work with young adults, but are not YALSA members • Staff a YALSA booth in August at BCALA (Black Caucus of ALA) • From July forward Letitia will send out quarterly email blasts to all members featuring a different member benefit (those messages will also be posted on YA-YAAC & YALSA-BK with a 'look what you're missing' tagline) • Recruit new corporate members at ALA Annual 	<ul style="list-style-type: none"> • Recruit members informally, as opportunities arise (e.g. discussions with colleagues, gift memberships for grad students you know, etc.) • Recruit members at local, state or regional events or grad schools (host a booth, present a program, give a brief talk, distribute membership forms) • Share recruitment success stories and tips w/ fellow board members via the board's space in ALA Connect • Volunteer to work in the member booth at ALA conferences • Contact Letitia for recruitment materials or download them from www.ala.org/yalsa/handouts
Products	<ul style="list-style-type: none"> • Utilize marketing plan developed by NorthStar Strategies to create new marketing messages, tools and outreach efforts • Implement marketing plan to promote new products, including the Best of YA-YAAC book and the 2013 lists mash-up digital download • Send out marketing messages to trainers and front line librarians to promote the curriculum kits 	<ul style="list-style-type: none"> • Buy YALSA books or <i>YALS</i> as a gift or thank you to someone • Encourage your organization to purchase TRW products, YALSA books or <i>YALS</i> for staff use • Forward &/or re-tweet promotional messages from YALSA to your local, state or regional network • Distribute handouts or coupons at local, state or regional events with information about products • Give books or <i>YALS</i> as door prizes at local, state or regional workshops

		<ul style="list-style-type: none"> • When thinking about publishing or editing a book length work, consider taking your project to YALSA, and encourage others to do the same • Include info & a link about a YALSA product in your email signature • Ask your state association or state library if they know about bulk discounts on TRW products
Events	<ul style="list-style-type: none"> • N/A – no events between now and the end of the fiscal year 	<ul style="list-style-type: none"> • N/A – no events between now and the end of the fiscal year

Additional Resources

- 2012 State of the Sector Survey, <http://ow.ly/gBQqo> (.pdf summary of nonprofit survey results)
- Nonprofit Finance: What Board Members and Trustees Need to Know, <http://philanthropy.com/article/Nonprofit-Finance-What-Board/63420/> (archived discussion)
- Beyond Financial Oversight: Expanding the Board’s Role in the Pursuit of Sustainability, <http://ow.ly/gBPQ1> (blog post)