

**YALSA Board of Directors Meeting
ALA Midwinter Meeting, Denver
February 9 – February 12, 2018**

Topic: FY19 Budget Priorities

Background: As the first step in the budgeting process, the Board will want to discuss budget priorities for FY19, based on the Organizational and Implementation Plans to provide direction to the Executive Director as she develops the proposed FY19 budget. The draft budget can be refined right up through the ALA Annual Conference, but must be finalized immediately afterwards. Changes are normally made to the draft in the spring, when more is known about the current fiscal year and future projects are more fully fleshed out. A draft budget will be presented to ALA's Budget Analysis and Review Committee during their meeting in April. It is beneficial to have the budget as finalized as possible by that time. Clara Bohrer Beth Yoke are seeking feedback from the Standing Board Committees to identify budget priorities and have provided the information below.

Action Required: Discussion

The Board needs to accomplish the first two steps in the budget process at Midwinter:

- 1. Agree on goals and priorities**
 - Clarify annual goals from Organizational and Implementation plans
 - Agree on and prioritize financial priorities

- 2. Understand current financial status** (see board doc #23)
 - Review current year income and expense compared to budget
 - Forecast to the end of the year
 - Analyze and understand any variances

Additional Resources

- Budget Process, see next page
- Implementation Plan,
<https://docs.google.com/spreadsheets/d/1U6tGTF0X8IrxmbWhogEMvXH7HdAGDI EpvHBTYSx970E/edit#gid=1136292286>
- Organizational Plan, www.ala.org/yalsa/aboutyalsa/strategicplan

Budget Process

Step	Details	When	Who
<p>Agree on goals/ financial priorities</p>	<ul style="list-style-type: none"> • Clarify annual goals from strategic plan • Prioritize program delivery from implementation plan • Determine financial priorities of the deliverables; ranking of what is most important if funds are limited 	<p>January Midwinter Board Meeting or even through a Board chat prior to Midwinter</p>	<p>Board</p>
<p>Understand current financial status and trends which may impact draft budget</p>	<ul style="list-style-type: none"> • Review current year income and expense compared to budget • Forecast to the end of the year • Analyze and understand any variances • Review trends • Determine what, if any, impact current year and trends will have on draft budget (reality check) • Begin to discuss potential assumptions for the draft budget based on current year/trends 	<p>January Midwinter Executive Committee Meeting</p>	<p>Executive Director and Executive Committee</p> <p>Financials and narrative prepared by staff for this review</p>
<p>Develop draft budget and corresponding assumptions</p>	<ul style="list-style-type: none"> • Determine costs (expenses) to reach agreed upon program goals • Determine costs to reach organizational and strategic goals • Project income based on current fundraising and revenue activities • Project new income based on new activities • Determine if total income will cover all expenses or do financial priorities need to be taken into account 	<p>January</p>	<p>Executive Director develops budget and assumptions, with input from Fiscal Officer as needed</p>

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	<ul style="list-style-type: none"> The draft budget could be ready with the above information for discussion by Executive Committee at Midwinter or a call can take place after Midwinter 		
Review and refine draft budget	<ul style="list-style-type: none"> Verify that the draft meets agreed upon goals and financial priorities Review, discuss and validate all assumptions Make adjustments, based on goals and capacity, to match income and expenses (reality check—Do we have the financial capacity to do everything? Are we maintaining the bare minimum of fund balance?) Review final draft for all goals and objectives Check in again with current budget and its impact on refining the draft (reality check) At the spring meeting we should see the updated current budget with narrative, as well as the draft budget with any changes and narrative 	<p align="center">February through May</p> <p align="center">Spring Executive Committee Meeting</p>	<p align="center">Executive Director, with input from Executive Committee</p>
Approve budget	<ul style="list-style-type: none"> Executive Director and Fiscal Officer present to the board for approval 	<p align="center">June at Annual Conference</p>	<p align="center">Board</p>
Implement budget	<ul style="list-style-type: none"> Assign management responsibilities Incorporate into accounting system 	<p align="center">September through August</p>	<p align="center">Executive Director</p>

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<p>Monitor the budget</p>	<ul style="list-style-type: none"> • Fiscal officer receives monthly budget reports for YALSA and ALA and shares any concerns or opportunities with Executive Committee • Executive Committee receives quarterly fiscal reports, reviews, discusses and shares a summary report and any concerns or opportunities with the full Board. • Budget is adjusted as needed (Midwinter, Spring and/or Annual Meeting) by Executive Committee and shared with Board for approval 	<p>September through August</p>	<p>Executive Director, Fiscal Officer and Executive Committee</p>
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Midwinter 2018: Standing Board Committee Worksheet

YOUR ORGANIZATIONAL PLAN GOAL:

Prioritizing Projects for FY19 – based on what we have accomplished so far in the Years 1 & 2 Implementation Plans, as well as what financial resources are available, what projects do you think YALSA should prioritize funds for in the area for which your standing committee is responsible? Be sure to consider what projects are in progress that are likely to continue into FY19, as well as projects that haven't yet been implemented but that are a part of the Plan,
<https://docs.google.com/spreadsheets/d/1U6tGTF0X8IrxmbWhogEMvXH7HdAGDIEpvHBTYSx970E/edit#gid=1136292286>

Program/activity	Anticipated Resources & Expenses	Will the Activity Generate Revenue?	Priority Level (low, medium, high)	Rationale

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Ideas, Questions or Concerns – what budget related ideas, questions, concerns, etc. do you have around your particular Organizational Plan goal?

1.

2.

3.