

2015-2016 ALA CD #33.1

2015-2016 Annual Meeting

# **Budget Analysis And Review Committee (BARC)**

**Budget Analysis and Review Committee (BARC) Report  
to  
The ALA Council, Executive Board, Membership  
and  
The Planning and Budget Assembly**

**Ann M. Martin – BARC Chair**

**Annual Conference - Orlando, FL  
Saturday – June 25, 2016  
Sunday – June 26, 2016**

# BARC Report Topics

## Budget Update

- Fiscal Year 2016 YTD Results
  - Eight Months Ending 4-30-16
- Fiscal Year 2017 Budget
  - BARC Discussed and Approved Final Budgetary Ceiling Adjustments

## Other Activities

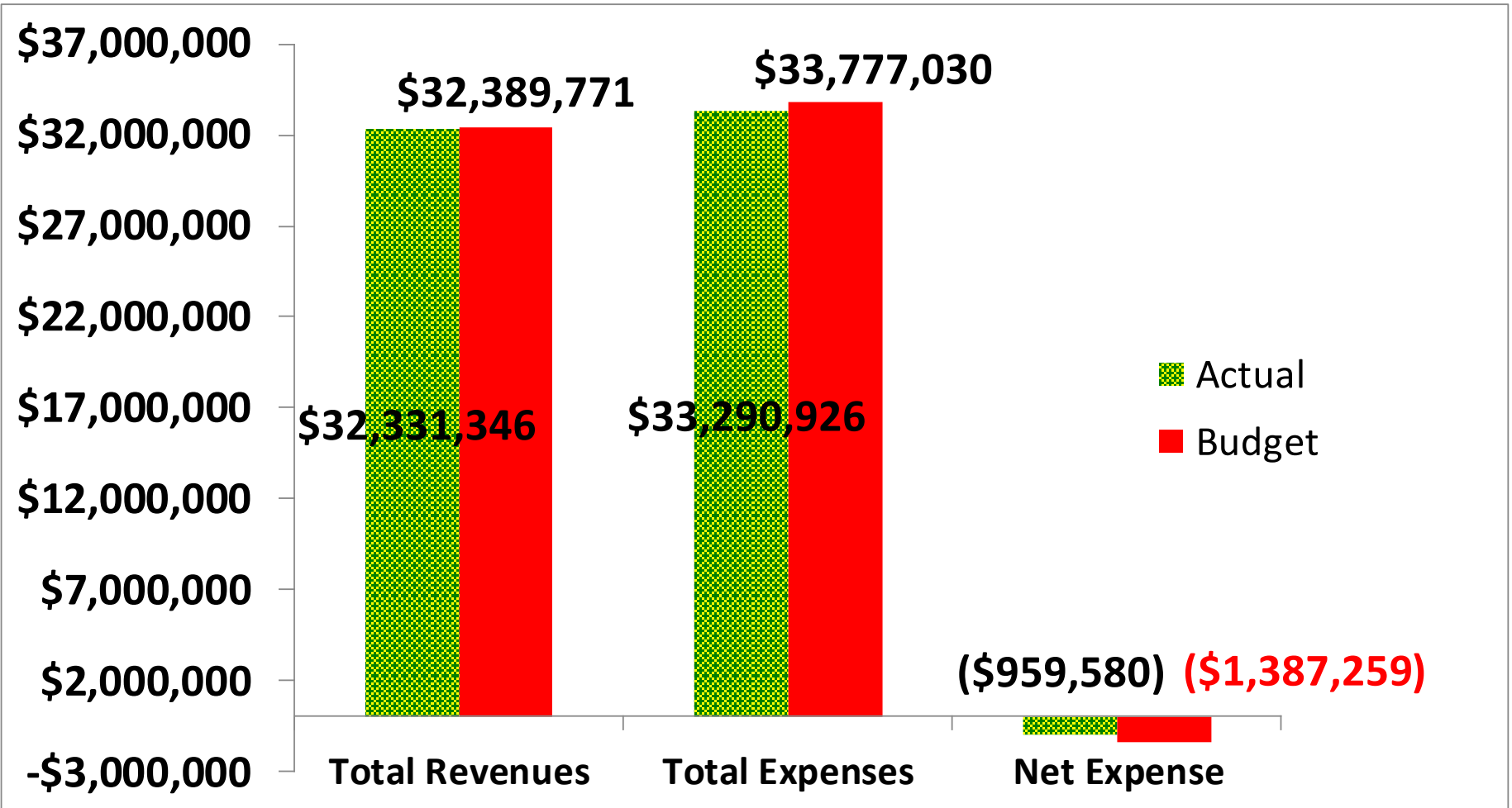
- ALA Financial Learning Series

# Budget Orientation

- **Current ALA Fiscal Year 2016**
  - Sept 1, 2015 – August 31, 2016
- **Annual Conference finances involve 3 fiscal years**
  - FY 2016 – Eight month report (September - April)
  - FY 2017 – Adjust/finalize after review of the FY 2016 projections
  - FY 2018 – Preliminary discussions

# FY 2016

## Total ALA – YTD 4-30-16



- The Association is still a financially strong and sound organization
- Eight month results are typical for this time of year

# Total ALA

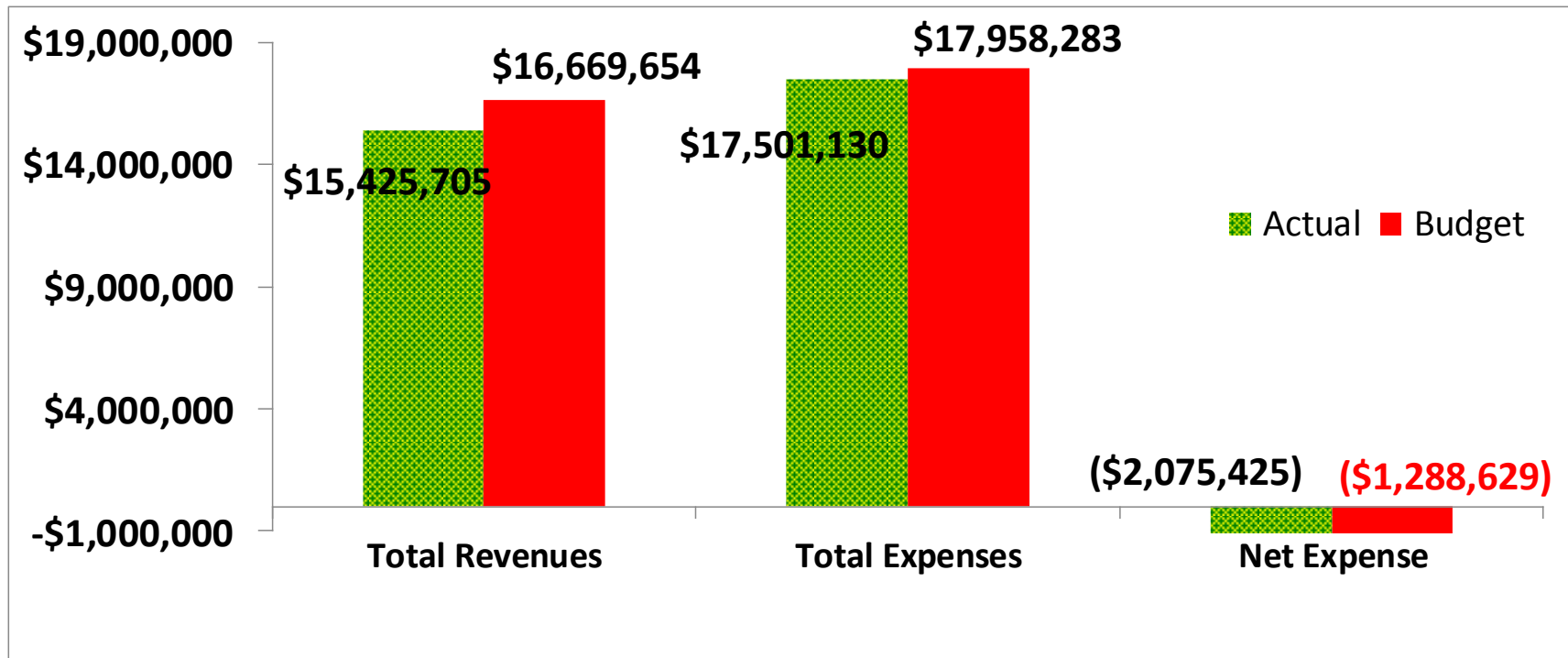
## Revenues/Expenses/Net Revenue

### *Eight Month Results*

	<u>Apr-16</u>	<u>Apr-15</u>	<u>Budget</u>	<b>Budget</b> <u>Variance</u>
<b>Total Revenues</b>	\$ 32,331,346	\$ 30,933,591	\$ 32,389,771	\$ (58,425)
<b>Total Expenses</b>	<u>\$ 33,290,926</u>	<u>\$ 30,661,065</u>	<u>\$ 33,777,030</u>	<u>\$ 486,104</u>
<b>Net Revenue</b>	\$ (959,580)	\$ 272,526	\$ (1,387,259)	\$ 427,679

# FY 2016

## General Fund - YTD Highlights



- Revenue was lower by (\$1.2 million) primarily from:
  - Results from the Midwinter Meeting
  - Lower online sales and higher book returns and credits in ALA Editions
  - Lower royalties and subscription revenue in Booklists
- Expenses are generally on budget with expense savings of \$457,153

# General Fund

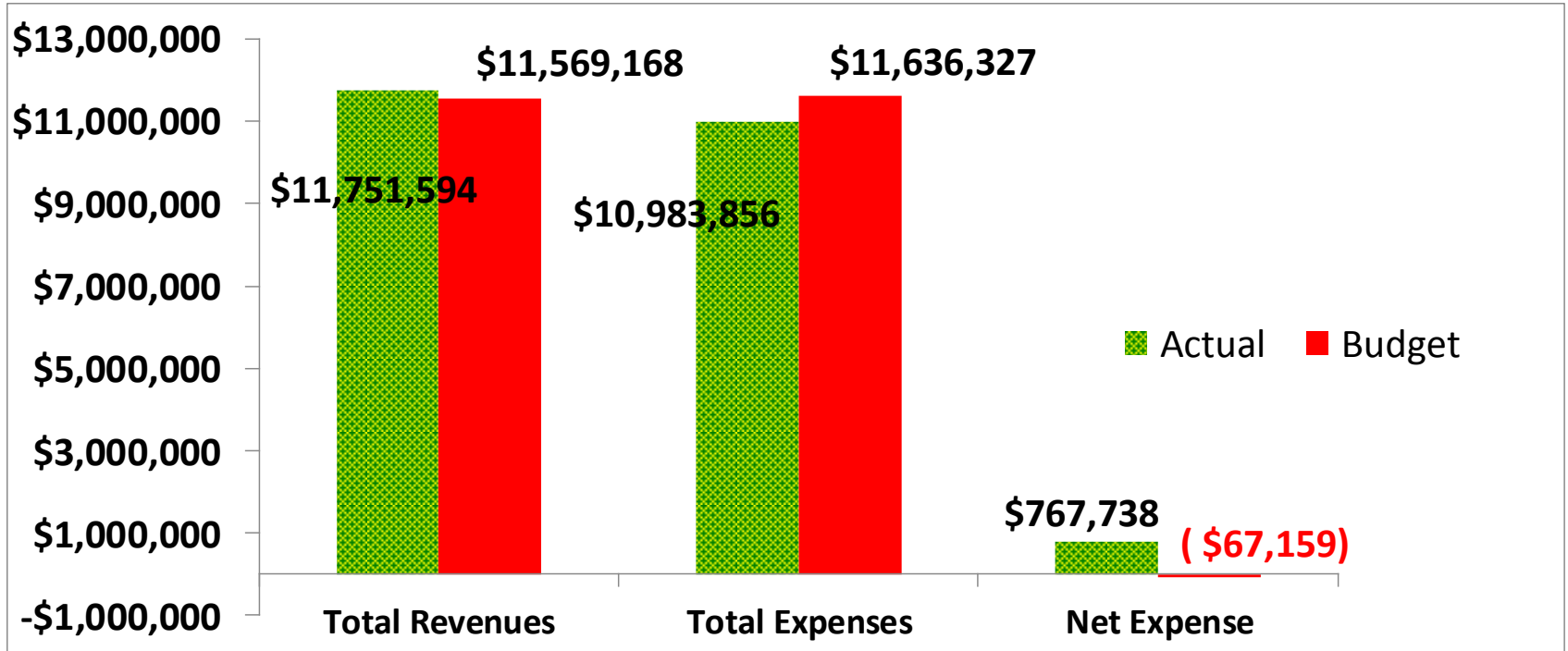
## Revenues/Expenses/Net Revenue

### *Eight Month Results*

	<u>April 2016</u>	<u>April 2015</u>	<u>Budget</u>	<u>Budget Variance</u>
<b>Total Revenues</b>	\$15,425,705	\$ 15,784,749	\$16,669,654	\$(1,243,949)
<b>Total Expenses</b>	<u>\$17,501,130</u>	<u>\$ 16,800,014</u>	<u>\$17,958,283</u>	<u>\$ 457,153</u>
<b>Net Revenue</b>	\$(2,075,425)	\$( 1,015,265)	\$(1,288,629)	\$( 786,796)

# FY 2016

## Divisions - YTD Highlights



- Division revenue more than budget by \$182,426 primarily in PLA and ALSC
- Division expenses less than budget due by \$652,471 primarily in Choice, AASL and ALSC
- Net expenses were less/better than budget at \$767,738 by \$834,896



# Divisions

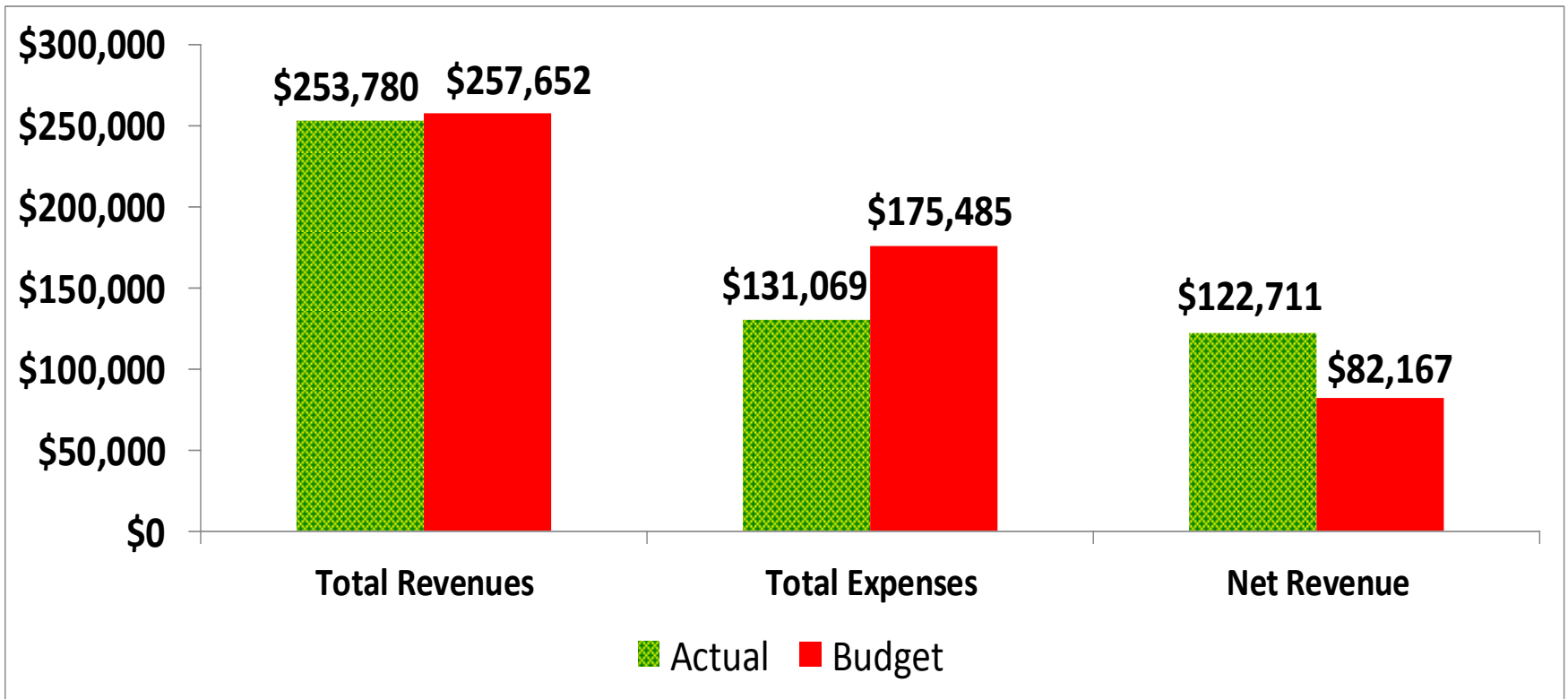
## Revenues/Expenses/Net Revenue

### *Eight Month Results*

	<u>April -16</u>	<u>April -15</u>	<u>Budget</u>	<u>Budget Variance</u>
<b>Total Revenues</b>	\$11,751,594	\$10,022,738	\$11,569,168	\$ 182,425
<b>Total Expenses</b>	<u>\$10,983,856</u>	<u>\$ 9,793,961</u>	<u>\$11,636,327</u>	<u>\$ 652,471</u>
<b>Net Revenue</b>	\$ 767,738	\$ 228,777	\$ (67,159)	\$ 834,896

# FY 2016

## Round Tables YTD Results



- Revenues less than budget across the board with the exception of EMIERT
- Expenses less than budget as budgeted Midwinter Meeting related expenses have not yet realized/incurred
- Net revenue was \$122,711

# Round Tables

## Revenues/Expenses/Net Revenue

### *Eight Month Results*

	<u>April 2016</u>	<u>April 2015</u>	<u>Budget</u>	<u>Budget Variance</u>
<b>Total Revenues</b>	\$ 253,780	\$ 247,818	\$ 257,652	\$ (3,873)
<b>Total Expenses</b>	<u>\$ 131,069</u>	<u>\$ 76,342</u>	<u>\$ 175,485</u>	<u>\$ 44,416</u>
<b>Net Revenue</b>	\$ 122,711	\$ 171,476	\$ 82,168	\$ 40,543

**Fiscal Year 20xx**  
**Total ALA Budgetary Ceiling**

**Net Assets**

(Unexpended balance remaining from fiscal year closing)

**+**

**Revenue**

(Anticipated in upcoming fiscal year)

**=**

**Budgetary Ceiling**

# Fiscal 2017 Budgetary Ceiling

## ALA Fiscal Year 2017 Budgetary Ceiling - AC Orlando

**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 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 top row below.

	General Fund*	Divisions	Round Tables	Grants & Awards	Long-term Investment	TOTAL ALL FUNDS
<b>A+B) TOTAL ALA BUDGETARY CEILING (for approval)</b>	<b>30,120,362</b>	<b>28,349,272</b>	<b>2,090,736</b>	<b>4,475,827</b>	<b>367,018</b>	<b>65,403,215</b>
<b>A) Net Asset Balance (projected at end of FY 2016)</b>		<b>14,761,317</b>	<b>1,649,643</b>			<b>16,410,960</b>
<b>FY 2017 Budgeted Revenues (before transfers)</b>	<b>29,074,333</b>	<b>13,572,615</b>	<b>441,093</b>	<b>4,475,827</b>	<b>1,215,657</b>	<b>48,779,525</b>
<b>FY 2017 Budgeted Revenue Transfers:</b>						
Interest & dividend transfer to General Fund and other	1,046,029	15,340			(848,639)	0
<b>B) Total Revenues (budgeted plus transfers)</b>	<b>30,120,362</b>	<b>13,587,955</b>	<b>441,093</b>	<b>4,475,827</b>	<b>367,018</b>	<b>48,992,255</b>

\* As per ALA Operating Practice, the General Fund's Net Asset Balance, if any, is not considered for the calculation as each fiscal year's budget is approved with revenues balancing expenses.

# **ALA *Financial Learning* Series**

## **Topics of Webcasts**

- **Budget Planning for a Pre-Conference or a One Time Event**
- **Organizational Structure**
- **Budget Cycle and Process**
- **The Operating Agreement**
- **The Long-Term Investment Fund**
- **Round Tables Financial Orientation**

# Online ALA *Financial Information*

## Treasurer's Page

- Offers Reports, Resources and Links to the Six Webcasts
- <http://www.ala.org/aboutala/treasurerspage>

## ALA Online Learning Offerings by Unit

- Brief Descriptions of Units' Learning Programs
- <http://ala.org/onlinelearning/unit>
- ALA YouTube Channel - Financial Learning Series Playlist
  - <http://www.youtube.com/user/AmLibraryAssociation#g/c/4234E31B4C2F3EE9>

# Online ALA *Financial Information*

## ALA Online Learning Webcasts

- links to the page for the six webcasts
  - <http://www.ala.org/aboutala/governance/financialdata/treasurerspage/learnorgstructure>
  - <http://www.ala.org/aboutala/governance/financialdata/treasurerspage/learnoa>
  - <http://www.ala.org/aboutala/governance/financialdata/treasurerspage/learnbudgetcycle>
  - <http://www.ala.org/aboutala/governance/financialdata/treasurerspage/learnfund>
  - <http://www.ala.org/aboutala/governance/financialdata/treasurerspage/learnroundtables>
  - <http://www.ala.org/aboutala/budget-planning-preferences-and-other-one-time-events>



**Thank You!**

**Ann M. Martin  
Chair, BARC  
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