

2014 - 2015 ALA CD#33\_12115\_inf

2014 - 2015 Midwinter Meeting

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

## **BARC Report to ALA Council and Planning and Budget Assembly**

Patricia A. Wand – BARC Chair

Midwinter Meeting  
Saturday - January 31, 2015  
Sunday – February 1, 2015  
Chicago, IL

# BARC Report topics

## Budget Update

- ◆ Fiscal Year 2015 Budgetary Ceiling Adjustments
  - Annual Conference vs. Fall Meeting
- ◆ Fiscal Year 2015 First Quarter Results
  - Three Months Ending 11-30-14

## Other Activities

- ◆ *Allowing Programs at Midwinter* proposed resolution
- ◆ *Financial Handbook*
- ◆ ALA Financial Learning Series

# Budget Orientation

- ◆ **Current ALA Fiscal Year 2015**  
**Sept 1, 2014 – August 31, 2015**
- ◆ **Midwinter finances involve 3 fiscal years**
  - FY 2014 – year end closing**
  - FY 2015 – first quarter report (Sept-Nov)**
  - FY 2016 – planning & budget assumptions**

# **Fiscal Year 20xx**

## **Total ALA Budgetary Ceiling**

**Net Assets**

(Unexpended balance remaining from fiscal year closing)

**+**

**Revenue**

(Anticipated in upcoming fiscal year)

**=**

**Budgetary Ceiling**

# FY2015

## Total ALA **Budgetary Ceilings** adjustments since 2014 Annual Conference in Las Vegas

|                                  | <u>Annual</u><br><u>Conference</u> | <u>Fall</u><br><u>Meeting</u> | <u>Variance</u> |
|----------------------------------|------------------------------------|-------------------------------|-----------------|
| <b>General Fund</b>              | \$ 29,558,008                      | \$ 29,468,008                 | \$ (90,000)     |
| <b>Divisions</b>                 | \$ 26,793,577                      | \$ 26,677,469                 | \$ (116,108)    |
| <b>Roundtables</b>               | \$ 1,802,501                       | \$ 1,803,501                  | \$ 1,000        |
| <b>Grants &amp; Awards</b>       | \$ 4,857,356                       | \$ 5,159,868                  | \$ 302,512      |
| <b>Long-Term<br/>Investments</b> | \$ 1,066,779                       | \$ 1,110,363                  | \$ 43,584       |
| <b>Total Budgetary Ceiling</b>   | \$ 64,078,221                      | \$ 64,219,209                 | \$ 140,988      |

# FY 2015 Sept – Nov 2014

## *1<sup>st</sup> Quarter Highlights*

- **Total ALA Revenue - \$8.8 million**  
Less than budget by \$618,959
- **Total ALA Expenses - \$9.9 million**  
Less than budget by \$1.1 million
- **Excess Expenses Over Revenues – (\$1.0 million)**  
This is the typical Revenue/Expense/Net Revenue pattern for this time period. The budget reflects a loss of (\$1.5 million)
- **Cash and Investments - \$18.8 million**  
More than last year by \$1.4 million at \$17.3 million
- **Endowment Fund - \$40.8 million**  
More than last year by \$3.8 million at \$37.1 million

# FY 2015 Sept – Nov 2014

## *1<sup>st</sup> Quarter Highlights*

- **General Fund Revenue - \$5.0 million**

Less than budget by \$109,346

Dues income @ \$1.3 million is less than budget by \$4,130

Publishing revenue @ \$3.3 million less than budget by \$21,084

\*higher online sales in ALA Editions/TechSource

\*lower sales related to library promotions in Graphics

\*lower royalties in Booklist

- **General Fund Expenses - \$5.9 million**

More than budget by \$25,427

FY 2015 Sept – Nov 2014 *1<sup>st</sup> Quarter Highlights*

## General Fund

### Revenues/Expenses/Net Revenue

|                       | <u>Nov 2013</u>     | <u>Nov 2014</u>     | <u>Budget</u>       | <u>Variance</u>          |
|-----------------------|---------------------|---------------------|---------------------|--------------------------|
| <b>Total Revenues</b> | \$ 4,845,685        | \$ 4,947,533        | \$ 5,056,879        | <b>\$(109,346)</b>       |
| <b>Total Expenses</b> | <u>\$ 5,805,690</u> | <u>\$ 5,870,594</u> | <u>\$ 5,845,167</u> | <u><b>\$(25,427)</b></u> |
| <b>Net Revenue</b>    | <b>\$ (960,006)</b> | <b>\$ (923,061)</b> | <b>\$ (788,289)</b> | <b>\$(134,772)</b>       |



FY 2015 Sept – Nov 2014 *1<sup>st</sup> Quarter Highlights*

## Divisions

### Revenue / Expenses

- **Divisions Revenue - \$2.8 million**

More than budget by \$175,167

Less than the first quarter in FY14 by \$802,181

\*No AASL conference held in 10/14 as compared to 10/13

Dues income @ \$677,152 is more than budget by \$10,871

- **Divisions Expenses - \$3.1 million**

Less than budget by \$440,225

Less than the first quarter in FY14 by \$582,424

FY 2015 Sept – Nov 2014 *1<sup>st</sup> Quarter Highlights*

## Divisions

### Revenues/Expenses/Net Revenue

|                | <u>Nov 2013</u>     | <u>Nov 2014</u>     | <u>Budget</u>      | <u>Variance</u>  |
|----------------|---------------------|---------------------|--------------------|------------------|
| Total Revenues | \$ 3,630,788        | \$ 2,838,607        | \$2,663,440        | \$175,167        |
| Total Expenses | <u>\$ 3,644,262</u> | <u>\$ 3,061,838</u> | <u>\$3,502,063</u> | <u>\$ 40,225</u> |
| Net Revenue    | \$ (3,474)          | \$ (223,231)        | \$(838,622)        | \$615,392        |

FY 2015 Sept – Nov 2014 *1<sup>st</sup> Quarter Highlights*

## Round Tables

### Revenues / Expenses

◆ **Round Tables Revenue - \$52,455**

Less than budget by \$11,127

Less than the first quarter in FY14 by \$8,173

◆ **Round Tables Expenses - \$18,448**

Less than budget by \$33,630

Less than the first quarter in FY14 by \$1,266

FY 2015 Sept – Nov 2014 *1<sup>st</sup> Quarter Highlights*

## Round Tables

### Revenues/Expenses/Net Revenue

|                | <u>Nov 2013</u>  | <u>Nov 2014</u>  | <u>Budget</u>    | <u>Variance</u>  |
|----------------|------------------|------------------|------------------|------------------|
| Total Revenues | \$ 60,628        | \$ 52,455        | \$ 63,582        | \$(11,127)       |
| Total Expenses | <u>\$ 19,714</u> | <u>\$ 18,448</u> | <u>\$ 52,079</u> | <u>\$ 33,630</u> |
| Net Revenue    | \$ 40,914        | \$ 34,007        | \$ 11,503        | \$ 22,504        |

*Allowing Programs at  
Midwinter Meetings*

**BARC report on  
proposed resolution**

# ALA **Financial Learning** Series

## Topics of Webcasts

- ◆ Organizational Structure
- ◆ Budget Cycle and Process
- ◆ The Operating Agreement
- ◆ The Long-Term Investment Fund
- ◆ Round Tables Financial Orientation

# Finances Best Practices Session

- For members interested in ALA financial practices
- Participants bring varied knowledge levels about ALA financial practices.
- Offered annually on Friday afternoon, Midwinter Meeting

# Online ALA Financial Information

## ALA finance-related websites

### Treasurer's Page

<http://www.ala.org/aboutala/governance/financialdata/treasurerspage>

(offers reports, resources and links to the five webcasts)

### ALA Online Learning Offerings by Unit

<http://ala.org/onlinelearning/unit> (Brief descriptions of units' learning programs)

### ALA Online Learning webcasts

<http://ala.org/onlinelearning/unit/finance> (links to the page for the five webcasts)

<http://ala.org/onlinelearning/unit/governance> (links to the page for the five webcasts)

### ALA YouTube Channel - Financial Learning Series Playlist

<http://www.youtube.com/user/AmLibraryAssociation#g/c/4234E31B4C2F3EE9>

(links to the five webcasts)



**Thank you for your  
commitment to ALA**

**Patricia A. Wand  
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