

**YALSA Board of Directors
ALA Annual Conference, Las Vegas
June 27 – July 1, 2014**

Topic: FY15 Budget

Background: The Executive Director turned in a draft budget to ALA in February and presented it to ALA senior management and BARC in the spring. YALSA must turn in its final draft of the FY15 budget in mid-July. In January 2014 the Board discussed priorities for the FY15 budget, and explored the topic further via a board e-chat in April. The consensus was that the new Futures report will have a significant impact in the coming years on YALSA's planning and budgeting. Additionally, YALSA needs to address the matter of its two shrinking revenue streams: online continuing education and publications. This downward trend is being seen across the industry, which points to a need to identify and grow other revenue streams. Possible strategies for making up the shortfall in the short term could be the move to holding the symposium annually, focusing publishing on digital downloads, member retention and recruitment, building YALSA's licensed institute program and continuing forward with new or updated curriculum kits.

Action Required: Information

Factors Impacting YALSA Finances in FY15

Changes

Overall, the FY15 budget, as it is now, is not significantly different from FY14 in structure or in outlook. The most significant change is the addition of the Margaret Edwards Trust fund.

Expenses

- **Administration:**
 - Per ALA, there is a 2% budgeted salary increase for FY15
 - Benefits will be calculated at 33% of salary (as opposed to 32.5% in FY14, 30% in FY13 & 28% in FY12)
 - MACS is increasing online registration fees by .11 per registrant

- **Overhead to ALA:** For FY15 overhead will be calculated at 25.4% (as opposed to 24.2% in FY14).

Revenues

- **Ads:** we'll be expanding our advertising portfolio into mobile apps, so modest revenue will be built into the FY15 budget
- **Continuing Education:** with live webinars now a member benefit and with FY14 curriculum kit sales below projections, CE revenues for FY15 will be adjusted downward to slightly below FY14 levels.
- **Grants:** we won't know until Aug. if we'll receive another round of Dollar General funding. We'll be applying for an IMLS grant in Oct. 2014
- **Publications:** with recent a shift to focusing on downloadable products, it's not yet known how that will impact sales; however, based on FY14 sales information, FY15 projections will be scaled back.
- **Seals:** At the start of FY14 YALSA moved its seal production & distribution to a new vendor. Exactly how this will impact expenses and net revenues in the long term is not yet known; however, for FY15 the expense line will be increased for seals.
- **Symposium:** Expenses and revenues from the 2014 symposium will be realized in FY15. The 2014 symposium revenue estimates are being calculated from the 2012 symposium data.

Other

- **Endowments:** Per ALA, there will be an opportunity to transfer funds from operating budgets into endowments in FY15

Additional Resources

- 2014 Midwinter Board Document on FY15 budget priorities, <http://ow.ly/yoLdn> (.pdf)