

YALSA Board of Directors Meeting  
Via Conference Call  
March 17, 2014

**Topic:** FY15 Budget Development Update

**Background:** The Executive Director turned in a draft budget to ALA in February. Some information is provided below about factors likely to impact YALSA finances in FY14 as well as an overview of the budget building process. The next step in the budget process, is a meeting to discuss the budget with ALA senior managers, which will take place on March 20<sup>th</sup>. After that, the budget goes to ALA BARC, and ultimately to ALA's Executive Board for approval. YALSA has the opportunity to continue to refine the budget up to the ALA Annual Conference, when ALA's Executive Board will be meeting to review the budgets.

**Action Required:** Discussion

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## Factors Impacting YALSA Finances in FY15

**Administration:** Per ALA, there is a 2% budgeted salary increase for FY15.

**Ads:** building out an e-version of *YALS* and adding ad capabilities to the Teen Book Finder app offers additional ad revenue opportunities, but it is too early to know the degree to which this will impact the budget

**Symposium:** 2014 and 2015 are the first years YALSA is offering the event annually. The impact on revenues is not yet known.

**Seals:** In late FY13 YALSA will moved its seal production & distribution to a new vendor. How this will impact sales is not yet known.

**Endowments:** It is too early to know how the very recent addition of the MAE Trust funds will impact the budget.

**Overhead to ALA:** For FY15 overhead will be calculated at 24.2% (the same as FY14).

### Grants:

- YALSA's IMLS grant will end near the beginning of FY15 in Oct.
- It is not yet known whether YALSA will be invited to apply for another round of Dollar General Funding

**Steps in the Budget Building Process**

Step	Details	When	Who
Agree on goals	<ul style="list-style-type: none"> <li>• Prioritize program delivery goals</li> <li>• Set organizational financial goals</li> <li>• Clarify annual goals from strategic plan</li> </ul>	January	Board
Understand current financial status	<ul style="list-style-type: none"> <li>• Review current year income and expense compared to budget</li> <li>• Forecast to the end of the year</li> <li>• Analyze and understand any variances</li> </ul>	January	Board
Develop & submit draft budget	<ul style="list-style-type: none"> <li>• Determine costs (expenses) to reach program goals</li> <li>• Determine costs to reach organizational and strategic goals</li> <li>• Project income based on current fundraising and revenue activities</li> <li>• Project new income based on new activities</li> </ul>	January/Feb.	Executive Director, with support from Fiscal Officer
Internal review of draft budget	<ul style="list-style-type: none"> <li>• Division directors will present their budget to ALA senior management</li> <li>• ALA’s Budget Analysis &amp; Review Committee (BARC) meets to review proposed budgets and hear presentations from Division directors</li> </ul>	March 12 – 22 April 25 - 26	Executive Director
Review and refine draft budget	<ul style="list-style-type: none"> <li>• Verify that the draft meets program and organization goals</li> <li>• Review and discuss all assumptions</li> <li>• Make adjustments, based on goals and capacity, to match income and expenses</li> <li>• Review final draft for all goals and objectives</li> <li>• Incorporate feedback from ALA senior management &amp; BARC</li> </ul>	April/May	Executive Director, with input from Board
Review & approve final budget	<ul style="list-style-type: none"> <li>• Executive Director and Fiscal Officer present to the board for their consideration. This is the last opportunity to make adjustments to the budget.</li> </ul>	June	Board
	<ul style="list-style-type: none"> <li>• Assign management responsibilities</li> </ul>		

**YALSA Board of Directors – Mar. 8, 2013**  
**Topic: FY14 Budget Development Update**

Implement budget	<ul style="list-style-type: none"> <li>Incorporate into accounting system</li> </ul>	September through August	Executive Director
Monitor budget	<ul style="list-style-type: none"> <li>Monitor and respond to changes as needed</li> </ul>	September through August	Executive Director, with support from Fiscal Officer and Board