

YALSA Board of Directors Meeting  
ALA Annual Conference, Orlando  
June 24 – 28, 2016

**Topic:** Fiscal Officer Report

**Background:** The Board of Directors has the responsibility of ensuring the short and long term fiscal health of the organization and that the budget is aligned with strategic priorities as laid out in the organizational plan. The materials included here - information on planned giving and fiscal data and trends - is provided by YALSA's Fiscal Officer, Linda Braun, to generate discussion on YALSA's long-term financial health.

**Action Required:** Discussion

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**Planned Giving**

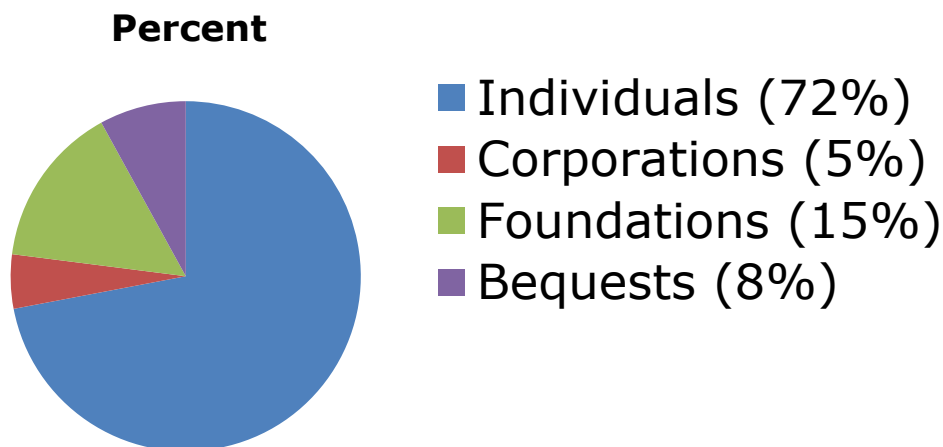
“...every non-profit should be focused (in part) on finding benefactors to leave them planned gifts because there is no better way to plan for the future growth and strength of your organization.”

[www.thefundraisingauthority.com/planned-giving/launch-planned-giving/](http://www.thefundraisingauthority.com/planned-giving/launch-planned-giving/)

A strong and effective planned giving program provides YALSA with funds that help to guarantee the association is sustainable over the long term. YALSA's Executive Director, Beth Yoke, provided the following information about planned giving - both U.S. planned giving and how planned giving can have a positive fiscal impact for YALSA

**Planned Giving in the U.S.**

In 2014 the total amount of giving was \$358.38 billion from:



The chart above can help the board make informed decisions in terms of where to put the most resources and time when it comes to fundraising.

- Individuals refer to someone who gave cash at some point during 2014
- Bequests refer to someone who passed away in 2014 and left something to an organization in their will
- Foundations are grant making institutions that include organizations such as the MacArthur Foundation and the Gates Foundation
- Corporations are for-profit entities that make philanthropic donations
- Planned giving and fundraising are a practical and strategic approach for YALSA to acquire funds to support critical projects. It's also another way to engage members and advocates in the association.

### **Planned Giving and YALSA**

- Planned giving is when an individual chooses to name YALSA as a beneficiary in their will
- Why should the Board be concerned about this?
  - Because the Board has a duty to ensure the fiscal health of the organization
  - Because Fund & Partner Development is a goal in the new organizational plan
- Characteristics of potential planned givers:
  - Age: 40 – 60
  - Have a college degree
  - Do not have children, or have grown children
  - Have a long relationship with YALSA
  - Have donated to YALSA or similar organizations in the past
  - Are passionate about YALSA's mission
  - Have the capacity to make a gift (studies show this is the least critical factor)
- The most likely planned givers are probably those who are passionate about YALSA and its mission
- It's important to emphasize that the size of the donation isn't important. Some people assume that planned giving is only for the wealthy, but that is not so.
  - If every YALSA member left YALSA \$500 in their will, we'd have \$2.5 million to spend on programs and services that support members and teens.
  - Having many people give a little, rather than a few giving a lot, helps to show potential donors and funders that YALSA is widely supported and that many people are passionate about what we do.

Over the past few years YALSA has developed a list of candidates for planned giving. That document (which is confidential) is available on the YALSA Board ALA Connect space. Also available is the letter previously sent to YALSA past presidents asking them to consider planned giving.

### **Questions for Consideration**

- What are Board member's questions about planned giving, how it works, and its impact on YALSA's fiscal health?
- What on-going role can Board members play in advancing planned giving for the association?

- How can planned giving become more embedded in the work of the Board? What role(s) should the Board Standing Committee on Fund and Partner Development play? What role(s) should staff play?
- What are activities, such as distributing print materials (letters and brochures), that board members can implement regularly to help expand planned giving?
- What do planned giving candidates need to know about planned giving in order to plan their own finances successfully?
- Who are potential planned giving candidates for YALSA to add to the candidates list which has been shared in the Board’s space in ALA Connect?

**Related Resources**

- **Establishing a Planned Giving Program**  
[https://philanthropy.iupui.edu/files/course\\_resources/establishing\\_a\\_planned\\_giving\\_program\\_regenovich.pdf](https://philanthropy.iupui.edu/files/course_resources/establishing_a_planned_giving_program_regenovich.pdf) (explore the section on the Board and building relationships)
- **How to Launch Planned Giving at your Non-Profit**  
<http://www.thefundraisingauthority.com/planned-giving/launch-planned-giving/>
- **Planned Giving information on YALSA’s web site:**  
<http://www.ala.org/yalsa/givetoyalsa/plannedgiving>
- **What is Planned Giving**  
<http://www.plannedgiving.com/what-is-planned-giving>

**Latest Fiscal Data (excluding endowments)**




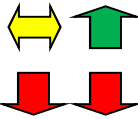


**April 2016**

| <b>OPERATING BUDGET</b>   | <b>Actual</b> | <b>Budgeted</b> | <b>Variance</b> |
|---|---------------|-----------------|-----------------|
| Total Revenue   | 477,664       | 495,098         | -17,434         |
| Total Direct Expenses   | 467,284       | 448,591         | -18,694         |
| Contribution Margin (what’s left over after you subtract cost from revenue) | -15,093       | 31,457          | -46,551         |
| Overhead (what we contribute to ALA in return for services)                 | 39,045        | 30,647          | -8,398          |
| Tax   | 131           | 131             | 0               |
| Net Revenue   | -54,269       | 679             | -54,948         |
| Ending Net Asset Balance  |               |                 | 216,041         |







In accordance with not-for-profit best practices, YALSA’s fund balance needs to remain at or slightly above \$298,468 (6 months’ expenses), or above \$198,978 (4 months’ expenses) at a minimum.

**Revenues:** (blue = big 3 revenue streams)

**YALSA Board of Directors – Annual 2016  
Fiscal Officer Report**

|  | <b>Revenue Stream</b> | <b>Performance</b>  | <b>Commentary</b>   |
|--|-----------------------|---|---|
|   | Dues                  | 0.5% behind budget  | membership is 5,188 as of Apr., down 0.2% from Apr. 2015  |
|   | Events                | <ul style="list-style-type: none"> <li>\$39,514 net revenue to YALSA for the symposium</li> </ul>   | YALSA also contributed \$26,899 to ALA through overhead on symposium registration                   |
|   | Sales                 | <ul style="list-style-type: none"> <li>Books are 47% behind budget</li> <li>YALS subscriptions 12% behind budget</li> <li>Bulk seals are behind budget</li> </ul>                                     | Printz seal sales are behind budget since the committee picked only 2 honor books for 2016          |
|   | CE                    | <ul style="list-style-type: none"> <li>Webinars are at budget</li> <li>e-courses are well above budget</li> <li>Institutes are behind budget</li> <li>Instructional kits are behind budget</li> </ul> | The PA State Library licensed 3 e-courses, which is why this revenue stream is better than budgeted |
|   | Ads                   | <ul style="list-style-type: none"> <li>YALS ads are ahead of budget</li> <li>eNews ads are well below budget</li> </ul>   | had a call w/ the ad rep in May to discuss ideas for boosting sales                                 |
|  | donations             | <ul style="list-style-type: none"> <li>FOY donations are slightly behind budget</li> </ul>  | collected \$2,660 thru Apr. (in order to meet \$13,095 goal, an avg of \$1,091 per month is needed) |

**Expenses:**

|   | <b>Expense</b>     | <b>Performance</b>    | <b>Commentary</b>   |
|---|--------------------|-----------------------|---|
|  | YALS               | above budget          | Postage, mail service & printing are all higher than budgeted                                       |
|  | Board & Committees | above budget          | Primarily due to higher than anticipated travel costs   |
|  | Wages              | 8% above budget       | Due to a slight increase in benefits & an equity adjustment for the Program Officer for Conferences |
|  | Events             | Slightly above budget |   |
|  | Book publishing    | 10% under budget      |   |
|  | Recruitment        | 105% above budget     | Toolkits & guidelines are popular handouts at conferences & we are over-budget in printing costs    |

**Key receivables:** Annual conference sponsorships from ABRAMS and Blink

**Revenue streams to watch:** Overall registration for Annual is down, and so are YALSA's ticketed events sales. For two of the three events, sales are down significantly over last year. Unless there are strong on-site sales, YALSA won't meet revenue targets for ticketed events. There has been a downward trend in revenues from YALSA activities at Annual for several years. The Board may want to discuss the implications of this in terms of YALSA's overall portfolio of non-dues revenue and its ability to continue funding member services.