

**YALSA Board of Directors Meeting  
ALA Annual Conference, New Orleans  
June 22 – 26, 2018**

**Topic:** Fiscal 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 is provided by Beth Yoke to generate discussion on YALSA’s financial standing in the last quarter of FY18 and heading into FY19.

**Action Required:** Discussion

**YALSA FINANCIAL OUTLOOK** (excluding endowments)

**April 2018**

<b>OPERATING BUDGET</b>	<b>FY17 Actual</b>	<b>FY18 Actual</b>	<b>Budgeted</b>	<b>Variance</b>
Total Revenue	376,467	456,530	485,647	-29,117
Total Direct Expenses	429,762	440,659	455,526	14,867
Contribution Margin (what’s left over after you subtract cost from revenue)	-78,242	-9,974	49,125	-59,099
Overhead (what we contribute to ALA in return for services)	32,239	45,878	40,680	-5,198
Tax	80	50	50	0
Net Revenue	-110,561	-55,902	8,395	-64,297
Ending Net Asset Balance	60,247			

In accordance with not-for-profit best practices, YALSA’s fund balance needs to remain at or slightly above \$328,899 (6 months’ expenses), or above \$219,266 (4 months’ expenses) at a minimum.

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

	<b>Revenue Stream</b>	<b>Performance</b>	<b>Commentary</b>
	Dues	<ul style="list-style-type: none"> <li>14% behind budget</li> </ul>	membership is 4,732 as of May, down 1.8% from May 2017
	Events	<ul style="list-style-type: none"> <li>7% better than projected</li> </ul>	Ticket sales for Annual have been slow, so this trend could reverse in July
	Sales	<ul style="list-style-type: none"> <li>Award seals are above budget by</li> </ul>	The publishers with award winners

**YALSA Board of Directors – Annual 2018  
Fiscal Report**

	<p>92%</p> <ul style="list-style-type: none"> <li>Self-published book sales are up 32%</li> <li>YALS subscriptions are 16% behind budget</li> </ul>	this year chose to purchase the seals. Book sales are up because the Maryland State Library bought multiple copies of Putting Teens First for a state-wide group read	
 	CE	<ul style="list-style-type: none"> <li>Behind budget for the e-courses</li> <li>25% ahead of budget for institutes</li> </ul>	E-courses may catch up, as we're running an extra section of the leadership course
	Ads	<ul style="list-style-type: none"> <li>YALS ads 26% are behind budget</li> <li>eNews ads are 36% behind budget</li> </ul>	
	donations	<ul style="list-style-type: none"> <li>Donations are 53% behind budget</li> </ul>	collected \$2,773 between Jan. - May (to meet our \$14,095 FOY goal, an avg of \$1,175 per month is needed)

**Expenses:**

	<b>Expense</b>	<b>Performance</b>	<b>Commentary</b>
	YALS eNews & JRLYA	<ul style="list-style-type: none"> <li>YALS is 18% over budget (mailing, formatting, printing)</li> </ul>	YALS ceased print publication with the spring 2018 issue
	Board & Committees	Slightly better than budget	The Executive Committee met virtually in the fall instead of in-person
	Wages & professional services	5% over budget	HR approved an equity adjustment for the Communication Specialist position
	Events	44% better than budget	Food & beverage and AV were less than budgeted for the symposium
	Book publishing	55% over budget	Order processing fees for seals were incorrectly charged to book publishing. This will be corrected in the June reports from ALA Accounting.
	Recruitment	15% above budget	Printing costs for new Competencies and collaboration toolkit and licensed institute handouts

**Key Receivables between now and the end of the fiscal year:** licensed institute payment, sponsorship fees from Google and Blink for Annual, ticket sales for Annual events, book/product royalties for the second half of FY18

**UPCOMING FISCAL PROJECTS**

**Business Plan:** every three years the Executive Director and Fiscal Officer work together to create a business plan for YALSA which the Board can use to guide financial planning and decision making. The plan provides trend data for YALSA finances, a snapshot of all of YALSA's products and services, and an environmental scan to see what challenges and

opportunities exist around helping YALSA generate revenue in order to provide support, services and resources to our members. A new Business Plan needs development. This is something the next Executive Director will need to work on with the Fiscal Officer.

**Publishing:** a new edition of the summer learning manual will be out in the early fall. YALSA is making plans to publish a book based on the Competencies to help front line library staff adopt and implement the vision for teen services that is outlined in the document.

**Seals:** YALSA is working with ALA, ALSC and ODLOS to determine a new fee for the bulk sale of seals, as it has been 10 years since ALA has raised the price of seals, and in that time our expenses for seals have increased at least three times. The goal is to determine the new rate by Sept. and to inform publishers at that time that the price change will go into effect Jan. 1, 2019. YALSA is also working with ALA, ALSC and ODLOS on a cost share project that would create a full-time position in ALA to manager award seals. This is only about 50% of a staff person's job now, and as a result ALA and its units are losing potential revenue, because we lack the capacity to monitor publisher activity and enforce our trademark rights. This position could begin sometime in FY19.

**Sponsorships:** Since overhead is not charged on sponsorships, this is a good source revenue for YALSA to pursue. The Fund & Partner Development Committee has been working with the Executive Director to improve its sponsor program and increase the number of vendors who sponsor YALSA.

### **Questions for the Board**

- What can we—as individual board members—do to help ensure YALSA is fiscally healthy?
  - What can and have individual board members done to identify potential sponsors and vendors?
  - Mention YALSA advertising and sponsorship opportunities to vendors, and encourage publishers to purchase book award seals
  - How comfortable are you with asking others to donate to YALSA? If you are very comfortable, what have you found that works in the past? If you are uncomfortable, what is it that makes you uncomfortable and can you think of a way around it?
  - How do you, as an individual recognize and appreciate those that have donated to YALSA?
  - Which of the following can you make time to do between now and the end of the fiscal year?
    - Mention YALSA advertising and sponsorship opportunities to vendors, and encourage publishers to purchase book award seals
    - Promote YALSA's publications and eLearning options through your state and local networks
    - Encourage your institution and/or state association to purchase a licensed institute or eCourse
    - Help FAC get the word out about any donation drive they may do

- Find out if your institution subscribes to *YALS*, and if not encourage them to do so
- Give a gift *YALS* subscription or membership to a colleague or graduate student. Contact Letitia to do this (lsmith@ala.org)
- Recruit a new member(s) (if each Board member recruited 3 new members, we'd have \$3,060)
- Host a [local YALSA meet-up](#) and provide recruitment materials
- As appropriate, distribute recruitment materials at library meetings in your area

**Additional Resources**

- ALA Budget Process information, [www.ala.org/groups/mleader/budget](http://www.ala.org/groups/mleader/budget)
- YALSA Business Plan, [www.ala.org/yalsa/sites/ala.org.yalsa/files/content/BusinessPlanFY014to17\\_0.pdf](http://www.ala.org/yalsa/sites/ala.org.yalsa/files/content/BusinessPlanFY014to17_0.pdf)
- YALSA Organizational and Implementation Plans, [www.ala.org/yalsa/aboutyalsa/strategicplan](http://www.ala.org/yalsa/aboutyalsa/strategicplan)
- YALSA sponsor information, [www.ala.org/yalsa/givetoyalsa/sponsors](http://www.ala.org/yalsa/givetoyalsa/sponsors)