

2017 - 2018 ALA CD #33.0

2017 - 2018 Midwinter Meeting

Budget Analysis And Review Committee (BARC)

report

to

ALA Council, Executive Board, Membership

and

The Planning and Budget Assembly

Rhea Lawson – BARC Chair

Midwinter Meeting – Denver, CO

Saturday - February 10, 2018

Sunday - February 11, 2018

BARC Report Topics

Budget Update

- **Fiscal Year 2018 final Budget**

- **BARC Discussed and Approved budgetary Ceiling Adjustments**

- **Fiscal Year 2018 Four month Results**

- **Three Months Ending 12-31-17**

Other Activities

- **Discussion on Council Resolution submission process**
- **ALA Financial Learning Series reminder**

Budget Orientation

- **ALA's Current Fiscal Year 2018**

- Started Sept 1, 2017 – Ends August 31, 2018

- **Midwinter Meeting Discussions on ALA finances cover 3 different fiscal years**

- FY 2017 – year end closing

- FY 2018 – four month financial report (September - December)

- FY 2019 – 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

FY2018

Total Budgetary Ceilings

	AC Chicago	Fall BARC	(\$)<i> Change</i>	(%)<i> Change</i>
General Fund	\$ 29,792,027	\$ 28,852,513	\$ (939,514)	(3.2%)
Division Fund	\$ 28,875,232	\$ 29,425,594	\$ 550,362	1.9%
Round Tables	\$ 2,206,967	\$ 2,209,469	\$ 2,502	0.1%
Grants & Awards	\$ 4,551,555	\$ 6,055,953	\$ 1,504,398	33.1%
Long-Term Investment	\$ 1,249,209	\$ 1,249,209	\$ 0	0.0%
Total ALA Budgetary Ceiling =	\$ 66,674,990	\$ 67,792,738	\$ 1,117,748	1.7%

- Development Office grant proposals - \$1,000,000
- Public Programs grant proposal Kellogg Racial Healing GSC - \$611,184
- PLA grant proposals - \$474,000
- PLA grant proposal – NNLM U of I Healthy Communities - \$180,833
- PLA grant proposal – IMLS Inclusive Internships - \$80,890

Fiscal Year 2018 Total ALA Budgetary Ceiling

\$14,906,005

(Unexpended balance remaining from fiscal year closing)

+

\$52,886,733

(Anticipated in upcoming fiscal year)

=

\$67,792,739

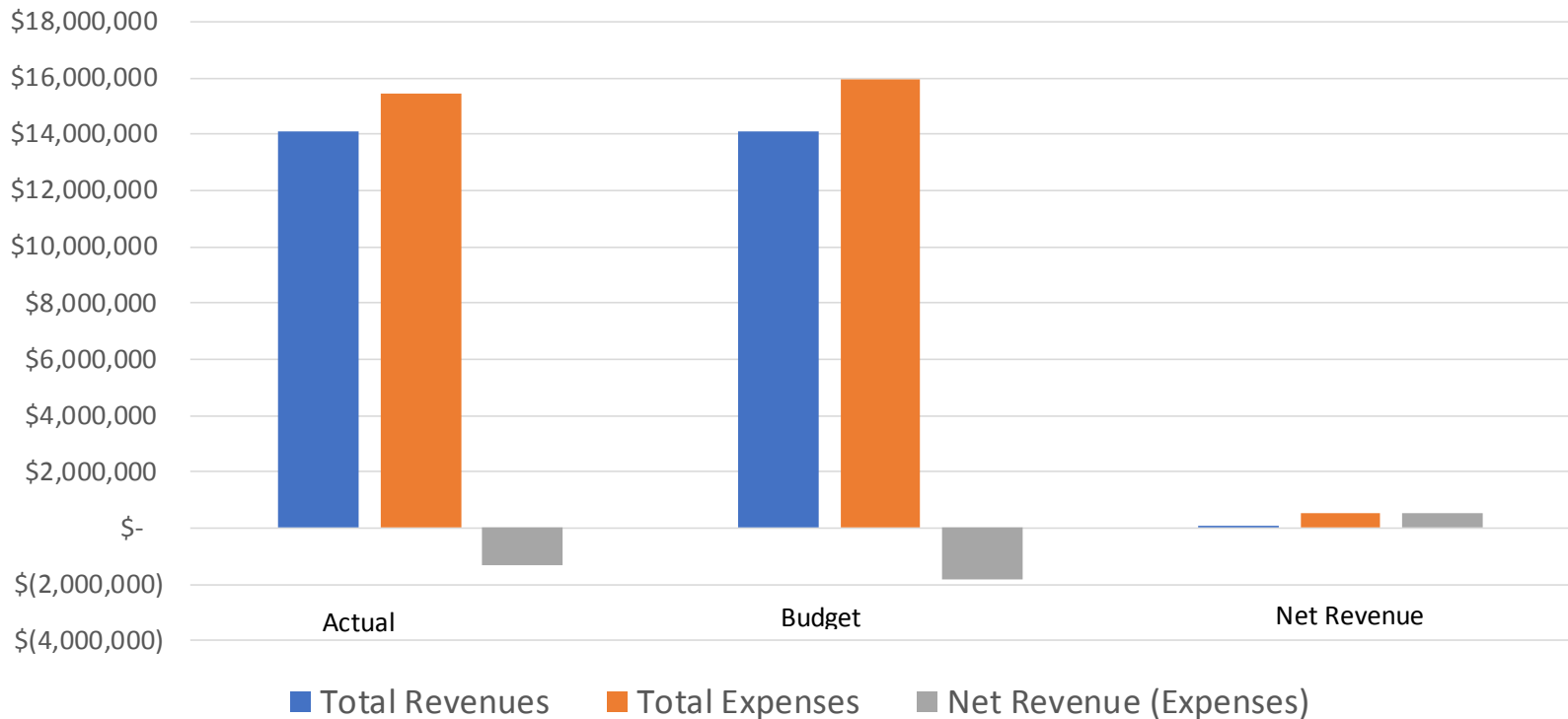
Budgetary Ceiling

Current fiscal year results

Four Months Ending 12-31-17

FY 2018 Total ALA

– Four Months Ending 12/31/17 –



- ALA is still a financially sound and strong organization with net assets of \$40.2 million
- Revenues were on budget at \$14.1 million
- Expenses were under budget by \$497,313 at \$15.4 million
- Net operating (expenses) were \$1.3 million and better than budget by \$540,494

Total ALA

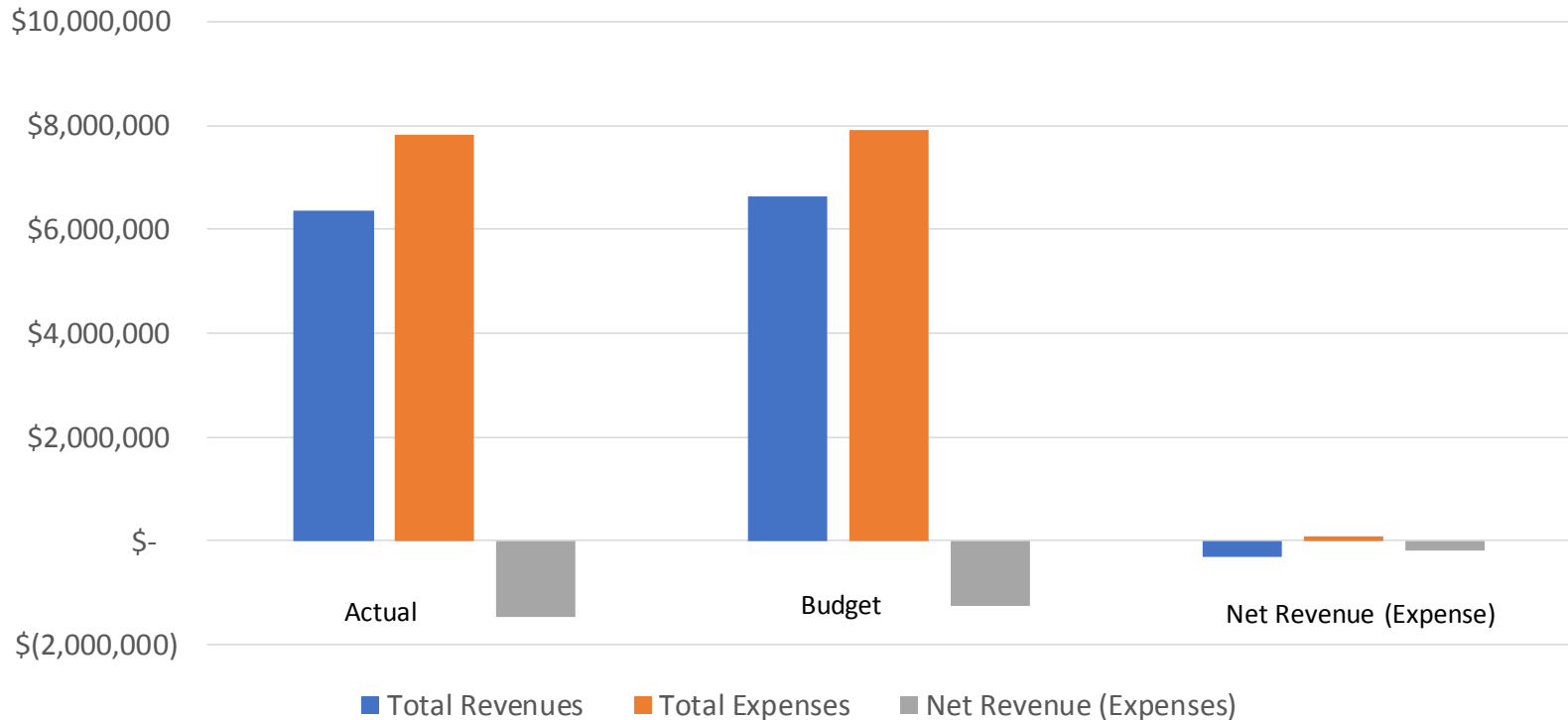
Revenues/Expenses/Net Revenue

- Four Months Ending 12/31/17 -

	<u>FY18 Actuals</u>	<u>FY18 Budget</u>	<u>Budget Variance</u>	<u>FY17 Actuals</u>
Total Revenues	\$ 14,139,452	\$ 14,096,271	\$ 43,181	\$11,352,467
Total Expenses	<u>\$ 15,449,856</u>	<u>\$15,947,169</u>	<u>\$ 497,313</u>	<u>\$13,571,627</u>
Net Revenue (Expenses)	\$ (1,310,404)	\$ (1,850,898)	\$ 540,494	\$ (2,219,161)

FY 2018 *General Fund*

- *Four Months Ending 12/31/17* -



- All revenue categories, primarily Publishing Services, were under budget by \$297,437 (-4.5%) at \$6.3 million
- Expenses were slightly less than budget by \$119,445 (-1.5%) at \$7.8 million
- The result was net (expenses) of \$1.4 million, which is more than the budgeted net expense of \$1.3 million by \$192,986 (-15.3%)

General Fund

Revenues/Expenses/Net Revenue

- Four Months Ending 12/31/17 -

	<u>FY18 Actuals</u>	<u>FY18 Budget</u>	<u>Budget Variance</u>	<u>FY17 Actuals</u>
Total Revenues	\$ 6,361,136	\$ 6,645,074	\$ (283,938)	\$ 5,902,785
Total Expenses	<u>\$ 7,817,196</u>	<u>\$ 7,908,148</u>	<u>\$ 90,952</u>	<u>\$ 7,793,647</u>
Net Revenue (Expenses)	\$ (1,456,060)	\$ (1,263,074)	\$ (192,986)	\$ (1,890,662)

FY 2018 Divisions

- Four Months Ending 12/31/17 -



- Division revenue of \$4.9 million was less than budget by \$153,852 primarily from lower registration fees related to the AASL conference (\$182,388) and lower overall dues (\$93,876)
- Division expenses of \$5.2 million were less than budget by \$239,033 evenly spread across all categories
- Net expenses were less (better) than budget at (\$433,667) by \$85,181

Divisions

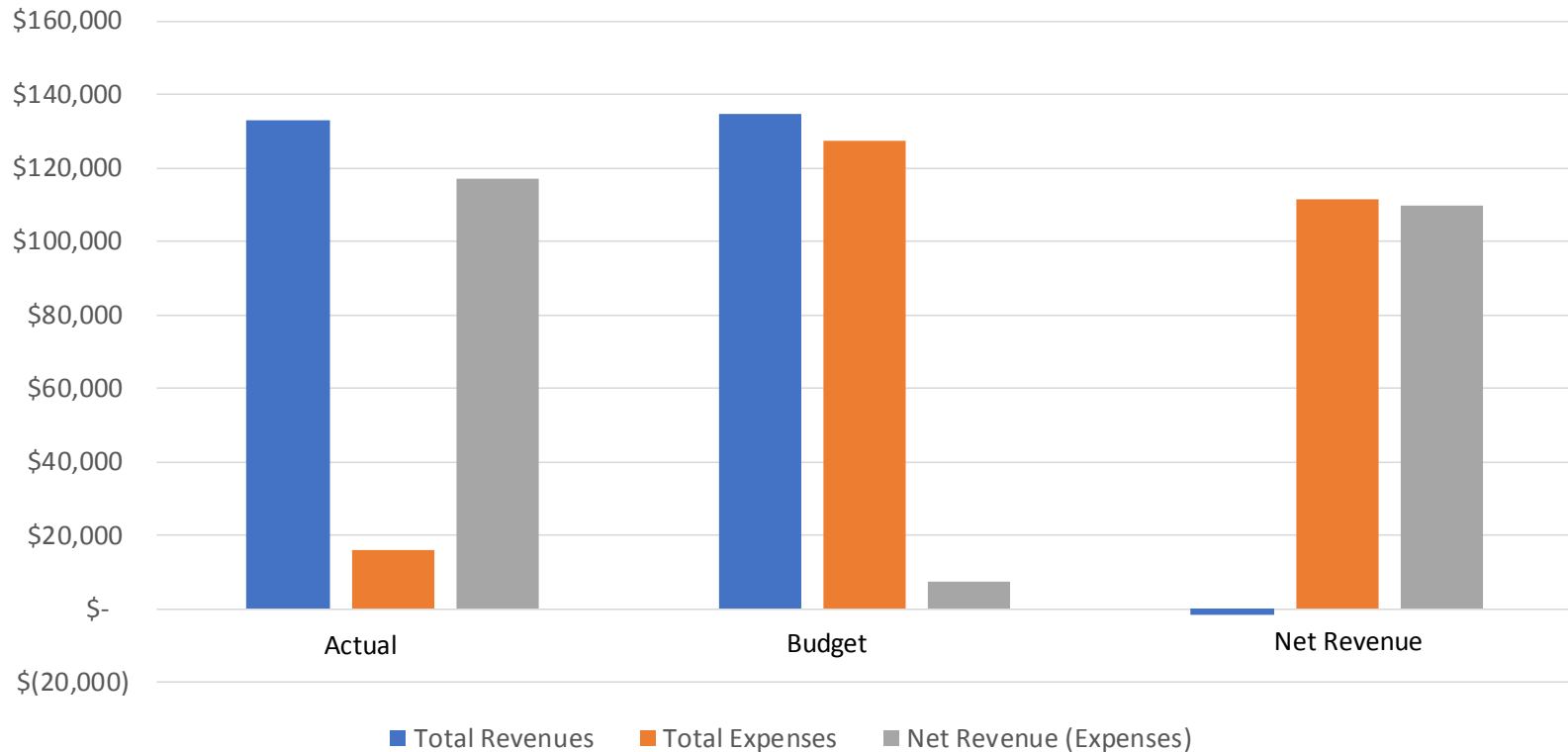
Revenues/Expenses/Net Revenue

- Four Months Ending 12/31/17 -

	<u>FY18 Actuals</u>	<u>FY18 Budget</u>	<u>Budget Variance</u>	<u>FY16 Actuals*</u>
Total Revenues	\$ 4,845,210	\$ 4,999,062	\$ (153,852)	\$ 4,540,859
Total Expenses	<u>\$ 5,193,696</u>	<u>\$ 5,432,729</u>	<u>\$ 239,033</u>	<u>\$ 4,976,504</u>
Net Revenue (Expenses)	\$ (348,486)	\$ (433,667)	\$ 85,181	\$ (435,645)

FY 2018 Round Tables

- Four Months Ending 12/31/17 -



- Revenues were less than budget by 1.2% at \$133,172
- Expenses were less than budget across the board by \$111,332 at \$16,023 primarily in EMIERT (\$57,253)
- Net revenue was \$117,149

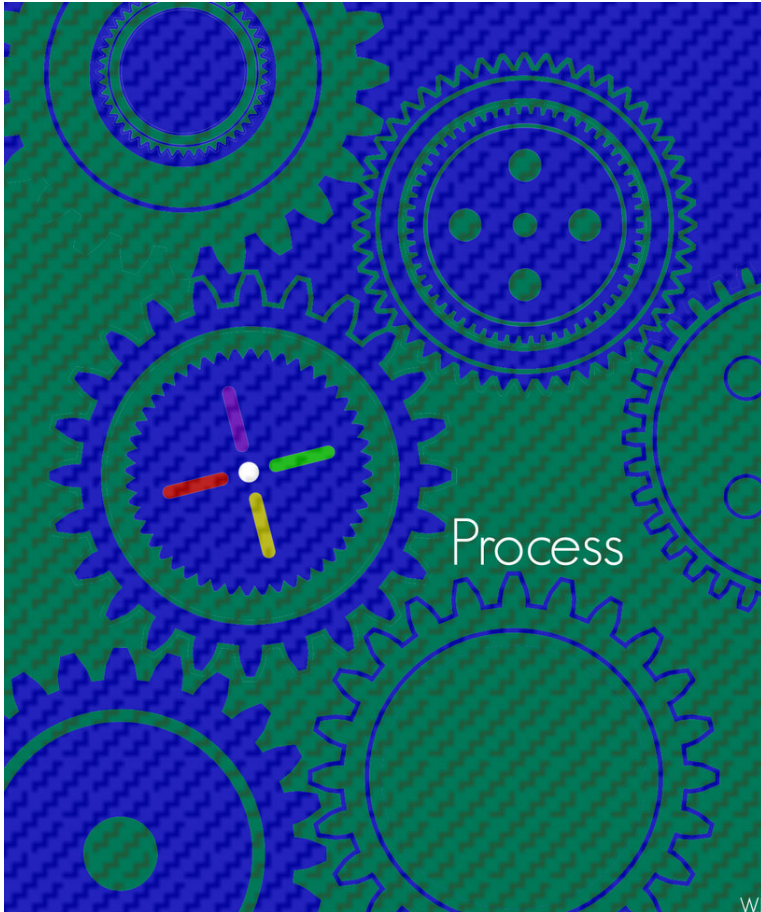
Round Tables

Revenues/Expenses/Net Revenue

- Four Months Ending 12/31/17 -

	<u>FY18 Actuals</u>	<u>FY18 Budget</u>	<u>Budget Variance</u>	<u>FY17Actuals</u>
Total Revenues	\$ 133,172	\$ 134,764	(\$ 1,592)	\$ 133,474
Total Expenses	<u>\$ 16,023</u>	<u>\$127,355</u>	<u>\$111,332</u>	<u>\$ 29,056</u>
Net Revenue	\$ 117,149	\$ 7,409	\$109,740	\$ 104,418

Review - The Council Referral Process



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- Referrals from Council to BARC are vitally important to the workings of the body
- The process should be as straight forward and inclusive as possible
- BARC discussed the current process at its fall meeting and assigned a number of committee members with the task of reviewing the process
- A preliminary process was reviewed at this meeting and additional refinements will be made
- The Chair will report back to Council on its findings and any suggested recommendations.

ALA *Financial Learning* Series

Topics of Webcasts

- Budget Planning for a Pre-Conference or a One Time Event
- Organizational Structure
- Budget Cycle and Process
- The Operating Agreement
- The Long-Term Investment Fund
- Round Tables Financial Orientation

Online ALA *Financial Information*

Treasurer's Page

- Offers Reports, Resources and Links to the Six Webcasts
- <http://www.ala.org/aboutala/treasurerspage>

ALA Online Learning Offerings by Unit

- Brief Descriptions of Units' Learning Programs
- <http://ala.org/onlinelearning/unit>

ALA Online Learning Webcasts

- links to the page for the six webcasts
 - <http://ala.org/onlinelearning/unit/finance>
 - <http://ala.org/onlinelearning/unit/governance>
- ALA YouTube Channel - Financial Learning Series Playlist
 - <http://www.youtube.com/user/AmLibraryAssociation#g/c/4234E31B4C2F3EE9>

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