

ALA American Library Association

Results of Operations
May - FY 2013 Financials

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Page

I. OVERVIEW	
• Executive Summary	1
II. STATEMENTS OF REVENUES AND EXPENSES	
Total ALA	11
• General Fund	15
- Communication and Member Relations	21
- Publishing Services	25
- Member Programs and Services	29
• Divisions	35
III. BALANCE SHEET – ASSETS, LIABILITIES, NET ASSETS	45

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May FY 2013 Executive Summary

The May results represent nine months of activity, which were electronically issued to unit managers on June 12, 2013. This commentary highlights actual revenue and expense results as compared to the approved budget including highlights of key financial indicators. The June results will be issued on July 12, July results will be issued on August 12, and the August final results will be issued on October 11.

The Management Group prepares a detailed analysis, which is transmitted to Accounting for review and inclusion in this commentary. This summary commentary represents the total ALA, the General Fund departments including: Publishing Services, Support Services, Communications/Member Relations and Member Programs and Services, as well as the Round Tables, Divisions, Grants and Awards and Long-Term Investments. The AED, Finance with the assistance of the Controller, coordinates a summary of key highlights and reports to the Executive Director and the Senior Management Group. The following financial summaries highlight variances against budget as well as year-to-year comparison of key indicators.

Highlights

- *Total ALA (all combined funds) revenue of \$33,517,178 is \$1,879,690 less than budget. The General Fund revenue of \$17,424,192 is \$2,425,008 less than budget due primarily to lower books, Digital Reference and Graphics revenue. Division revenues are 1%, \$107,721 more than budget and Grants and Awards are 15%, \$667,346 more than budget year-to-date. Investment interest and dividends are less than budget by 27%, \$173,026, reaching \$456,264 year- to-date.*
- *Total ALA expenses of \$35,409,571 are 9%, \$3,639,035 less than budget. The General Fund expenses of \$19,898,693 are \$2,529,910, 11% less than budget. Divisions are \$1,436,574, 13% less than budget. Grants and Awards are \$5,184,927, 15% more than budget.*
- *Cash and short-term investments are \$16,507,728 as compared to \$12,007,083 last year. The Long-Term Investment Fund is \$34,944,466 as compared to the \$32,560,816 balance at August 2012.*

May FY 2013
Executive Summary – continued

- *Total assets are \$8,112,438, 12% more than May 2012 reaching \$78,284,003 due in part to the higher value of the Long-Term Investments and the addition of the proceeds from the loan related to the acquisition of Neal Schuman Publishers, Inc.*
- *Total liabilities are \$6,474,859, 16% more than May 2012, totaling \$47,433,716.*
- *Total ALA net assets are \$1,638,033, 6% more than May last year, totaling \$30,850,741.*

OPERATING FUND

General Fund

Total revenues of \$17,424,192 are \$2,425,008, 12% less than budget. Revenues are slightly lower compared to the FY 2012 balance of \$17,446,703. Currently, revenues are 60% of the FY 2013 projections.

Publishing revenues are less than the budget by \$2,211,825 due primarily to ALA Editions, Digital Reference and Graphics. Note: Publishing net revenue of \$304,166 for May year-to-date is less than budget by \$832,790, but 52% of the \$583,303 projection.

Dues income is less than budget by \$43,161, totaling \$4,267,833, which is \$30,465 less than last year. Dues income is 77% of the year-end projection of \$5,568,660.

Interest Income is less than budget by \$39,198 reaching \$512,010 and is only 60% of the year-end projection of \$848,398.

Midwinter net revenue is \$59,757 less than budget and may not reach the projection of \$94,736.

Total expenses of \$19,898,693 are \$2,529,910 or 11% less than budget. Publishing is \$1,379,034 less than budget and General Administration is \$436,923 under budget.

Currently, expenses exceed revenue by (\$2,474,501), which is better than the (\$2,579,403) budget by \$104,902 or 4%.

**May FY 2013
Executive Summary – continued**

Projections (FY 2013)

Total General Fund results based upon May results compared to the year projections:

	<u>FY 2013 May YTD</u>	<u>FY 2013 Annual Projection</u>	<u>Amount Remaining</u>	<u>%</u>
<u>Revenue</u>				
Dues	\$4,193,308	\$5,628,660	\$1,435,352	25%
Sales of Materials-Net	4,029,268	5,957,623	1,928,355	32%
Other Sales	255,467	1,011,155	755,688	33%
Subscriptions	2,041,001	2,552,380	511,379	20%
Advertising	3,230,553	3,941,298	710,745	18%
Meetings & Conf.	2,045,071	7,396,980	*5,351,909	72%
Misc.	<u>1,629,524</u>	<u>2,566,919</u>	<u>937,395</u>	<u>36%</u>
Total Revenues	\$17,424,192	\$29,055,015	\$11,630,823	40%

*Deferred revenue as of June 18 is \$5.1 million.

Dues

Personal dues income is projected to reach \$4,300,660, which is \$210,001 less than budget. Organizational dues are projected to reach \$1,176,000, which is \$39,673 better than budget. Total Dues income is projected to be \$179,328 less than budget and is currently meeting projections.

Sales of Materials-Net

Sales of books (net of returns) in ALA Editions is projected to reach \$4,801,685, which is \$1,837,912 less than budget. Graphics sales are projected to reach \$1,286,984, which is \$283,136 less than budget. Total sales of materials-net are projected to be \$2,158,858 less than budget. June through August book sales are critical in order to meet year-end projections.

May FY 2013
Executive Summary – continued

Other Sales

Sales online as of May total \$84,942 compared to the YTD budget of \$483,368 and are not expected to meet the year-end projection

Subscriptions

RDA subscriptions are projected to reach \$577,076, which is \$459,071 less than budget. Booklist subscriptions are projected to reach \$1,870,074, which is \$58,061 greater than budget. Total subscriptions are projected to be \$400,010 less than budget. Total subscriptions revenue appears to be on target to meet the projection of \$2,552,380.

Advertising

Total advertising as of May is \$3,230,553, which is 82% of the year-end projection and appears to be on target to reach \$3,941,298.

Miscellaneous

Miscellaneous income which includes donations, interest/dividends, and royalties is projected to reach \$2,566,919, which is \$151,132 greater than budget due to the increase from 4% to 5% draw from the Endowment.

**May FY 2013
Executive Summary – continued**

	FY 2013 <u>May YTD</u>	FY 201 <u>Annual Projection</u>	Amount <u>Remaining</u>	<u>%</u>
<u>Expenses</u>				
Payroll & Related	10,857,229	14,497,893	3,640,664	25%
Outside Services	2,377,809	3,973,101	1,595,293	40%
Travel & Related	638,316	1,030,473	392,157	38%
Meetings & Conferences	1,614,603	2,853,388	1,238,705	43%
Publication Related	2,059,229	3,207,727	1,148,498	35%
Operating Expenses	3,401,100	4,946,549	1,545,449	23%
Total IUTs	<u>(830,484)</u>	<u>-1,075,594</u>	<u>(245,110)</u>	<u>31%</u>
 Total Direct Expenses	 20,117,882	 29,433,537	 9,315,655	 32%
General Overhead	(1,618,537)	(1,986,252)	(367,715)	19%
Allocations	1,399,348	1,500,730	201,382	12%
Taxes	<u>0</u>	<u>0</u>	<u>0</u>	
Total Expenses	<u>19,898,692</u>	<u>29,055,015</u>	<u>9,156,322</u>	<u>32%</u>
Net Revenue (Loss)	(2,474,501)	0	2,474,501	
	=====	=====	=====	

Payroll and Related

Salaries and wages are projected to total \$10,896,441, which is \$958,891 less than budget. Projections for salaries includes holding open all current vacant (General Fund only) positions and includes the elimination of the budgeted 2% salary increase. Taking into consideration that \$592,769 of salary attrition was included in the budget, therefore, net of attrition payroll and related expenses are projected to be \$547,304 less than budget. Total payroll and related appears to be on target to reach the year projections.

**May FY 2013
Executive Summary – continued**

Outside Services

Outside services are projected to reach \$3,973,101, which is \$66,299 more than budget due primarily to an increase in temporary help.

Travel and Related and Meetings and Conference expenses will be impacted by the Chicago Annual Conference transactions.

Publication Related

Publication related expenses are projected to reach \$3,207,727, which is less than budget by \$331,025. The Publishing Department is projecting to spend \$271,077 less than budget of which Editions is projecting to spend \$181,514 less on lower projected sales of \$1,610,962.

Operating Expenses

Operating expenses are projected to reach \$4,942,492, which is \$1,430,364 less than budget. Currently, operating expenses are on target to meet projections.

Expense adjustments included in May are:

Bad Debt Reduction	\$ 20,745
Reversal of 15 th of March Accrual	120,000
Subscription Refunds	123,029
Transfer Trustee Expenses	11,847
Reversal of Income Tax Accrued	<u>40,151</u>
Total Adjustment	\$315,772

Revenues of \$29,055,014 are projected to equal expenses resulting in a breakeven year instead of adding \$291,771 to the General Fund net assets as budgeted.

**May FY 2013
Executive Summary – continued**

MEMBER PROGRAMS AND SERVICES

There are some grounds for modest optimism in the MPS May results:

- The ALA 2013 Annual Conference registration is strong. While exhibit space sales are less than budgeted, the deficit will be partially offset by registration.
- The ALA 2013 Midwinter Meeting performed well and produced a net revenue, in spite of lower than budgeted exhibit space sales and donations.
- Employer interest in the ALA JobLIST Placement Center at Annual Conference is up somewhat from 2012.
- The 2013 ACRL Conference was strong both programmatically and financially, offsetting shortfalls elsewhere in the ACRL budget.
- ACRL/CHOICE will see the initial revenue from the new ACRL/CHOICE Webinar series.
- CE remains a strong revenue source for a number of Divisions, including ALCTS, LITA, LLAMA and RUSA.
- ALSC is reporting strong sales of seals – both physical and digital.
- Every Child Ready to Read (ALSC, PLA) remains a strong product; a Spanish-language edition will be released in late FY13.

There are also some continued grounds for concern:

- Membership remains soft, with some notable exceptions. (ALSC is performing ahead of budget on dues. PLA is ahead of FY12.)
- While ASCLA revenues are running ahead of FY12 and UNITED has seen its initial group purchase, ALA's smallest Divisions continue to struggle.
- Looking across a range of events, registration still remains challenging, as do donations.
- The impact of mergers/acquisitions and overall industry consolidation are visible in both exhibit space sales and donations.
- The cost of and demand for conference audiovisual services and on-site internet connectivity are outpacing budgets.

May FY 2013
Executive Summary – continued

PUBLISHING SERVICES

Total Revenues for the Department are \$2,211,825 less than budget, which is only slightly more than the shortfall in April. Direct Expenses are \$901,789 less than budget, consequently, the Contribution Margin (Total Revenues minus Direct Expenses) is \$1,310,036 less than budget, which is an improvement over April. The Subscription Equivalent in American Libraries is now \$148,165 better than budget, up from \$110,436 in April. Overhead expense is \$564,168 less than budget. And Net Revenues are \$832,790 less than budget, which is an improvement over April. Sales are hard to call, but still look promising. The combined ALA Editions unit had a strong May. Booklist Ads are holding up well, as are ads in American Libraries. ALA Graphics is still on track for meeting projection. RDA subscriptions are up 169% over this time last year. For the most recent 5 months RDA subscriptions are up 315% over the same period last year. Usage of the product, The RDA Toolkit, is 475% more than last year at this time. RDA revenue is up 180%.

Projection: The Net Revenue shortfall decreased since the last report. There continues to be potential upside as new and revised textbooks are published in June, and the strong product line in the Spring Graphics catalog registers sales in late summer. Reduction in production costs and general expense savings across the board will continue to contribute to the goal. The short answer is that upsides in Booklist, American Libraries, RDA, Production Services and ALA Graphics should offset the prospect of potential shortfalls in ALA Editions.

<u>Publishing Department</u>	<u>FY13 3/26 Projection</u>	<u>FY13 Budget</u>	<u>Variance</u>
Total Revenue	\$13,241,921	\$15,650,815	(\$2,408,894)
Total Expenses	\$13,101,647	\$14,741,667	(\$1,640,020)
Subscription Equivalent	(\$443,032)	(\$504,671)	\$61,639
Net Revenue(Loss)	\$583,306	\$1,413,819	(\$830,513)

May FY 2013
Executive Summary – continued

GRANTS AND AWARDS (RESTRICTED FUND)

Revenues and expenses of \$5,184,927 are \$667,346 more than the budget due to timing of several grants. Note: Grants and Awards generated 36% or \$1,368,144 more than the FY 2012 actual.

**May FY 2013
Executive Summary – continued**

SALARIES

General Fund salaries through May are \$667,595 less than budget. This is \$74,826 more than the total years 5% salary attrition budget of \$592,769. In addition, temporary help is over budget by \$34,084 and overtime is under budget by \$28,277 year-to-date. Excess salary savings including temporary help and overtime is \$661,788.

	FY 2013 May 2013	FY 2012 May 2012
Total General Fund Salaries	\$11,855,332	\$11,283,930
May YTD Budget	\$8,802,602	\$8,441,419
Actual Salaries-May YTD	8,135,007	8,346,993
Salary Savings To Date	\$667,595	\$94,426
Total Projected Salary Savings: 5.0% Attrition (FY 2013)	592,769	564,197
Salary Savings Remaining To Be Achieved	(74,826)	469,771
Wages-Temporary Help		
Budget	103,211	47,375
Actual	137,295	161,878
Variance (over) under Budget	(34,084)	(114,503)
Overtime Wages		
Budget	57,607	59,007
Actual	29,330	28,033
Variance (over) under Budget	28,277	30,974
Salary Savings Required Including Wages & Overtime	(\$69,019)	\$553,300

American Library Association
Statement of Revenues and Expenses - Total ALA

Schedule 1

	YTD Prior Year Actual	YTD Actual	YTD Budget	Variance	%	Annual Budget	Annual Projection	% Change From Budget
REVENUES								
General Fund	17,446,739	17,424,192	19,849,200	-2,425,008	-12 %	31,640,176	29,055,015	-8 %
Divisions	12,218,675	10,209,104	10,101,383	107,721	1 %	13,454,651	13,204,098	-2 %
Round Tables	217,616	242,691	299,415	-56,724	-19 %	401,704	401,704	0 %
Plant Fund				0	0 %			0 %
Grants and Awards (Restricted Fund)	3,816,783	5,184,927	4,517,581	667,346	15 %	6,285,991	6,285,991	0 %
Longterm Investment Fund (Endowment Fund)	562,856	456,264	629,289	-173,026	-27 %	839,955	839,955	0 %
Total Revenues	34,262,669	33,517,178	35,396,868	-1,879,690	-5 %	52,622,477	49,786,763	-5 %
EXPENSES								
General Fund	19,696,875	19,898,693	22,428,603	2,529,910	11 %	31,348,405	29,055,015	7 %
Divisions	10,984,905	9,958,441	11,395,015	1,436,574	13 %	15,214,826	14,199,427	7 %
Round Tables	83,918	108,273	217,650	109,377	50 %	321,073	321,073	0 %
Plant Fund	0	0	-6	-6	-100 %	0	0	0 %
Grants and Awards (Restricted Fund)	3,816,783	5,184,927	4,517,581	-667,346	-15 %	6,285,991	6,285,991	0 %
Long Term Investment (Endowment Fund)	255,132	259,238	489,763	230,525	47 %	779,193	779,193	0 %
Total Expense	34,837,613	35,409,571	39,048,606	3,639,035	9 %	53,949,488	50,640,699	6 %
Excess of Revenues Over Expenses	-574,945	-1,892,393	-3,651,738	1,759,345	48 %	-1,327,011	-853,936	36 %
2010 Initiatives	153,569	25,158		-25,158				0 %
Post-Retirement Benefits				0				0 %
Technology Reserve	189,675	251,093	238,551	-12,542		318,070	318,070	0 %
Net Realized/Unrealized Gains - Bond Fund	-35,006	-185,548		-185,548				0 %
Net Realized/Unrealized Gains - LT Investments	-249,163	2,544,903	74,286	2,470,617		99,046	99,046	0 %
Net Contributions/Withdrawals-LT Investments	104,862	53,729	877	52,852		-2,285	-2,285	0 %
Net Revenues - Total ALA	-1,097,496	244,440	-3,815,126	4,059,566		-1,548,320	-1,075,245	31 %

American Library Association
Schedule 1 – Commentary: Statement of Revenues and Expenses – Total ALA
May FY 2013

ROUND TABLES

The Round Tables revenues of \$242,691 are \$56,724 less than budget due to lower miscellaneous sales, conference related revenues and advertising. Expenses of \$108,273 are less than budget by \$109,377 due to conference and publishing related expenses.

PLANT FUND

The Plant Fund transfer is \$842,620, \$62,420 under budget, and is now being recorded monthly as a credit to the Plant Fund with an offsetting charge to the General Fund.

GRANTS AND AWARDS

Revenues and expenses of \$5,184,927 are \$667,346 more than the budget due to timing of several grants.

LONG-TERM INVESTMENTS

Endowment Fund revenues of \$456,264 consisting of interest and dividend income are \$173,026 less than the budget of \$629,289. Net realized/unrealized gains are \$2,544,903 as compared to budgeted gains of \$74,286.

	Realized	Unrealized
EIMA TEF/Blackrock	34,550	113,159
Pimco	49,227	(177,644)
NFJ	376,911	(186,686)
IDP International Value/Lazard Intl	52,927	277,187
IDP LCG/Marsico	167,932	373,515
London/Alliance	121,380	525,352
Neuberger/Heitman	23,518	(18,470)
Lord Abbett Convert	36,889	88,304
IDP Large Cap Value	140,535	334,409
MPLA/Blackrock	36,143	175,765
TOTAL	\$1,040,012	\$1,504,891

Net contributions/withdrawals consist of donations and other revenues, offset by life member dues transfers. The resulting figure in effect represents the net capital addition (reduction) made to the Endowment Fund. At May 31, 2013, the net contribution of \$53,729 is \$52,852 more than the budgeted net contribution of \$877.

Expenditures totaling \$259,238 are \$230,525 less than budget.

The current annualized yield on Endowment Fund investments is as follows:

	EMA TEF BLACKROCK	PIMCO/ALLIANZ CREDIT SUISSE	NF/J ALLIANZ (LORD)	IDP INTER VAL LAZARD INTL	IDP LCGI MARSICO	LONDON ALLIANCE	LORD ABBETT CONVERT	MLPA BLACKROCK	IDP LARGE CAP VALUE	TOTAL	%	YIELD
CASH	631	45,979		65,187	87,977	72,286	62,665	41,342	102,963	479,030	1%	0.13%
GOVERNMENT SECURITIES/ALT INVEST	3,068,023	1,564,853		3,376,747	270,713	85,366	754,476	10,411,067	850,462	4,632,876	13%	0.79%
CORPORATE SECURITIES		1,273,539			5,053,168	5,221,605	192,763		2,332,652	17,032,371	48%	2.67%
EQUITIES										12,800,189	37%	2.39%
TOTAL	3,068,653	2,884,372	0	3,441,934	5,411,857	5,389,257	1,008,905	10,452,409	3,286,078	34,944,466	100%	

Composite: 2.29%

American Library Association
Statement of Revenues and Expenses - General Fund

	YTD Prior Year Actual	YTD Actual	YTD Budget	Variance	%	Annual Budget	Annual Projection	% Change from Budget
REVENUES:								
Publishing Services	9,723,079	9,756,347	11,968,172	-2,211,825	-18 %	15,650,815	13,241,921	-15 %
Member Program & Services	2,795,473	2,742,062	2,913,986	-171,924	-6 %	9,280,971	9,166,499	-1 %
Communications	4,339,688	4,309,331	4,343,469	-34,138	-1 %	5,792,538	5,617,285	-3 %
Interest Income	477,996	512,010	551,208	-39,198	-7 %	734,940	848,398	15 %
Mail List Sales	99,630	91,690	72,365	19,325	27 %	180,912	180,912	0 %
Executive Office	10,836	12,752	0	12,752	100 %	0	0	0 %
TOTAL REVENUES	17,446,703	17,424,192	19,849,200	-2,425,008	-12 %	31,640,176	29,055,015	-8 %
EXPENSES:								
Publishing Services	9,066,099	9,452,182	10,831,216	1,379,034	13 %	14,236,996	12,658,618	11 %
Member Program & Services	6,470,222	6,597,004	7,075,124	478,120	7 %	12,201,303	11,899,071	2 %
Communications	2,015,719	2,132,316	2,289,524	157,208	7 %	3,132,722	2,952,235	6 %
Executive Office	3,205,103	3,178,404	3,581,116	402,712	11 %	4,776,143	4,529,739	5 %
Finance, Accounting & Staff Support Servi	1,399,767	1,400,235	1,469,889	69,654	5 %	1,974,582	1,889,086	4 %
Overhead Recovered	-3,672,213	-3,697,573	-4,091,314	-393,741	-10 %	-6,689,851	-6,114,291	-9 %
Income Taxes	0	0	0	0	0 %	0	0	0 %
General Administration	1,212,172	836,125	1,273,048	436,923	34 %	1,716,510	1,240,557	28 %
TOTAL OPERATING EXPENSES	19,696,869	19,898,693	22,428,603	2,529,910	11 %	31,348,405	29,055,015	7 %
OPERATING NET REVENUES	-2,250,166	-2,474,501	-2,579,403	104,902	4 %	291,771	0	-100 %
NON-OPERATING ACTIVITIES								
Post Retirement Benefits	0	0	0	0	0 %	0	0	0 %
Strategic Initiatives	153,569	25,158	0	-25,158	-100 %	0	0	0 %
Technology Reserve	189,675	251,093	238,551	-12,542	-5 %	318,070	318,070	0 %
Net Realized/Unrealized Gains/(Losses)	-35,006	-185,548	0	-185,548	-100 %	0	0	0 %
TOTAL NON-OPERATING ACTIVITIES	378,250	461,799	238,551	-223,248	-94 %	318,070	318,070	0 %
EXCESS REVENUES OVER EXPENSES	-2,628,417	-2,936,300	-2,817,954	-118,346	-4 %	-26,299	-318,070	-1109 %

American Library Association
Supporting Statement of Revenues and Expenses - Executive Office
For the Period Ending May 2013

Schedule 6

UNIT	YTD Prior Year Actual	YTD Actual	YTD Budget	Variance	%	Annual Budget	Annual Projection	% Change From Budget
REVENUES								
(150) WASHINGTON OFFICE	71	32		32	100 %			0 %
(151) OFFICE OF INFORMATION TECHNOLOG		0		0	0 %			0 %
(152) OGR	10,765	12,720		12,720	100 %			0 %
TOTAL REVENUES	10,836	12,752	0	12,752	100 %	0	0	0 %
EXPENSES								
(101) STANDING COMMITTEES	61,577	76,021	117,321	41,300	35 %	164,126	83,496	49 %
(102) EXECUTIVE BOARD	155,913	163,788	292,644	128,856	44 %	346,445	315,058	9 %
(103) EXECUTIVE OFFICE	707,236	641,129	654,966	13,837	2 %	877,980	868,355	1 %
(114) DEVELOPMENT OFFICE	266,136	248,007	287,964	39,957	14 %	387,106	351,106	9 %
(150) WASHINGTON OFFICE	661,396	676,722	736,035	59,313	8 %	977,607	917,140	6 %
(151) OFFICE OF INFORMATION TECHNOLOG	310,913	363,094	396,231	33,137	8 %	533,708	512,685	4 %
(152) OGR	558,359	515,897	593,416	77,519	13 %	812,858	768,694	5 %
(230) ALA AWARDS	1,334	905	930	25	3 %	7,344	7,344	0 %
(506) HUMAN RESOURCES	482,239	492,840	501,609	8,769	2 %	668,969	705,861	-6 %
TOTAL EXPENSES	3,205,103	3,178,404	3,581,116	402,712	11 %	4,776,143	4,529,739	5 %
NET REVENUES								
(101) STANDING COMMITTEES	-61,577	-76,021	-117,321	41,300	35 %	-164,126	-83,496	49 %
(102) EXECUTIVE BOARD	-155,913	-163,788	-292,644	128,856	44 %	-346,445	-315,058	9 %
(103) EXECUTIVE OFFICE	-707,236	-641,129	-654,966	13,837	2 %	-877,980	-868,355	1 %
(114) DEVELOPMENT OFFICE	-266,136	-248,007	-287,964	39,957	14 %	-387,106	-351,106	9 %
(150) WASHINGTON OFFICE	-661,325	-676,690	-736,035	59,345	8 %	-977,607	-917,140	6 %
(151) OFFICE OF INFORMATION TECHNOLOG	-310,913	-363,094	-396,231	33,137	8 %	-533,708	-512,685	4 %
(152) OGR	-547,594	-503,177	-593,416	90,239	15 %	-812,858	-768,694	5 %
(230) ALA AWARDS	-1,334	-905	-930	25	3 %	-7,344	-7,344	0 %
(506) HUMAN RESOURCES	-482,239	-492,840	-501,609	8,769	2 %	-668,969	-705,861	-6 %
TOTAL NET REVENUE	-3,194,267	-3,165,652	-3,581,116	415,464		-4,776,143	-4,529,739	

AMERICAN LIBRARY ASSOCIATION
Staff Support Services Supporting Statement of Expenses
For the Period Ending May 2013

Schedule 7

UNIT	YTD Prior Year Actual	YTD Actual	YTD Budget	Variance	%	Annual Budget	Annual Projection	% Change From Budget
EXPENSES								
STAFF SUPPORT SERV/OFFICE SERV	204,381	142,763	148,904	-6,141	-4 %	200,378	203,981	-2 %
DISTRIBUTION CENTER	209,858	187,319	222,357	-35,038	-16 %	298,386	300,714	-1 %
DISTRIBUTION CENTER	-70,646	-67,960	-82,500	14,540	18 %	-110,000	-110,000	0 %
REPROGRAPHICS CENTER	140,090	133,573	164,044	-30,471	-19 %	219,367	220,574	-1 %
REPROGRAPHICS CENTER	-141,969	-125,880	-165,000	39,120	24 %	-220,000	-220,000	0 %
TOTAL EXPENSES	341,713	269,815	287,805	-17,990	-6 %	388,131	395,269	-2 %

American Library Association
Schedule 2A – Commentary: Statement of Revenues and Expenses – General Fund
May FY 2013

INTEREST
INCOME

Year-to-date interest on short-term investments is \$512,010, \$39,198 less than the budget of \$551,208. The actual average invested balance for the nine months ending May 31, 2013 was \$13,743,393 with a yield of 1.71%. In comparison, at May 31, 2012 the actual average invested balance was \$10,911,691 with a yield of 2.76%. As of May 31, 2013 the net realized/unrealized gain <loss> on the investment managed by Neuberger Berman was a net loss of \$185,548, as compared to the \$430,297 cumulative gain at August 31, 2012. The net year-to-date loss is comprised of \$21,817 of realized losses and \$163,731 of unrealized losses. According to the Association's investment policy, any realized and unrealized gains and losses at year-end becomes a component of the appropriated net asset balance and as such is carried forward in the net asset balance to subsequent fiscal years.

FOR THE MONTH OF MAY, 2013

INVESTMENT TYPE	AVG VALUE	MARKET VALUE	%	%	YIELD	INTEREST INCOME (MONTH)	INTEREST INCOME (YTD)
Money Market Funds		723,102	5%	4%	0.05%	27	279
Government Securities		8,536,527	61%	52%	1.90%	10,638	134,103
Corporate Bonds		4,698,836	34%	28%	3.61%	12,820	101,600
							0
Subtotal-Bond Fund	13,970,596	13,958,465	100%	85%	3.17%	23,485	235,982
Certificates of Deposit	0	0		0%	0.00%	0	0
Institutional Fund	8,901	8,901		0%	0.05%	0	9
Money Market Funds	0	0		0%	0.00%	0	4
Cash in Bank	2,731,783	2,505,936		15%	0.00%	9	89
Other-Industrial Securities	34,428	34,428		0%		0	0
Unallocated Amortization						37,387	(60,257)
Endowment Transfer						60,861	336,295
Total Cash and Investments	16,745,706	16,507,728		100%			512,121
Gates Foundation Interest		0				0	(112)
Net Cash and Investments		16,507,728				60,861	512,010

On an overall basis, the bond portfolio yield is 3.17%. The Gates Foundation requires that interest earned on unspent funds are credited to the grant balances.

OVERHEAD

At May 31, 2013, total overhead recovery (excluding the Plant Fund transfer) of \$4,757,723, is \$515,999 less than the budget of \$5,273, 722. The overhead recovery is more than budget in American Libraries, RUSA, ALSC, Public Programs/PLA restricted funds and ACRL, offset by less budget recoveries in ALA Editions, Midwinter, AASL, YALSA, CHOICE, and Graphics.

EXECUTIVE OFFICE/ GOVERNANCE

This section tracks expenses associated with support of the governance function (Executive Board, Council, President, President-Elect) of the Association.

Council Administration [11-101-0000]: As of May 31 2013 approximately \$26,072 or 65% of the FY13 Council administrative budget of \$40,300 has been spent. No unusual expenses are anticipated for this budget.

Executive Board Administration [11-102-0000]: To date, expenditures are approximately \$20,346 or 75% of a total budget of \$27,255. There are no unusual expenses anticipated for this budget; however, expenses that were usually incurred by the in-house print shop will now have to be outsourced (Executive Board business cards, for example), so it's hard to tell at this point whether expenses will be greater than anticipated.

Spring Board Meeting [11-102-0115]: The Spring Executive Board Meeting took place April 19-21 in Chicago. As of May 31, \$17,539 in expenses have been recorded. Most expenses have been submitted at this time; we don't anticipate exceeding the budget of \$23,528.

Fall Board Meeting [11-102-0118]: Recorded expenses for the Fall Executive Board meeting, held in Chicago on October 26-28, total \$31,423. This is approximately 25% over the total budget of \$25,178. The overages occurred in the travel portion of this budget. Several board members changed their flights to avoid delays caused by Hurricane Sandy and one board member was stranded in Chicago for several days.

President: [11-102-0100] (Support) Approximately \$37,000 remains from a total budget of \$61,475. This includes anticipated and unposted expenditures.

0103 Budget (Initiatives) During her presidency thus far, Maureen Sullivan has spent or earmarked approximately \$82,490 of her Presidential Initiatives budget of \$95,000, leaving a remaining budget of \$12,509.

President-Elect: [11-102-0101] (Support) \$28,634 of the president-elect support budget remains from a total budget of \$55,260. This takes into account unposted expenditures.

[11-102-0113] (Advisory Committee) President-elect Barbara Strippling has spent \$8,694 of her \$15,570 advisory committee budget, leaving a balance of \$6,876. As Barb's advisory committee is eager to begin work on planned initiatives, it is likely that most of this budget will be expended prior to the end of the fiscal year.

Planning & Evaluation [11-102-0104]: This budget line shows that \$11,140, or approximately 62%, of the total budget of \$18,000 remains as of May 31, 2013.

Executive Office [11-103-0000]: \$548,361 or approximately 74% of the adjusted FY13 Executive Office administrative budget of \$740,830 has been spent to date. We are keeping close tabs on expenditures to ensure that this budget is not overspent in FY13.

Election Processing [11-103-9000]: \$92,768 or approximately 68% of the Election Processing budget of \$137,150 has been spent to date. We had asked for some enhancements to the election process this year; however, it is not anticipated that these will adversely impact the budget.

**WASHINGTON
OFFICE**

Washington Office Administration is \$23,347 under budget for the month of May and is 8% under budget for year to date expenses. The under budget status is due to both planned expense adjustments as well as payment in the previous month of the network support expense normally paid in May. There were no unplanned or unexpected expenses during the month and the office is fully expected to meet the adjusted budget levels as projected for the remainder of the fiscal year.

OGR is \$13,191 under budget for the month of May and is 16% under budget for the year to date. Expenses have been as planned and OGR is fully expected to meet the adjusted budget levels as projected for the remainder of the fiscal year.

OITP is \$1,125 over budget for the month of May and is 8% under budget on year to date expenditures. OITP is expected to meet the adjusted budget levels as projected for the remainder of the fiscal year.

American Library Association
Statement of Revenues and Expenses - Communications & Member Relations

UNIT	YTD Prior Year Actual	YTD Actual	YTD Budget	Variance	%	Annual Budget	Annual Projection	% Change From Budget
REVENUES								
(100) COMMUNICATIONS, AED	28,989	22,478	27,000	-4,522	-17 %	36,000	36,000	0 %
(104) LIBRARY		260		260	100 %			0 %
(109) ORS	53	1,255	1,350	-95	-7 %	1,800	500	-72 %
(111) INTERNATIONAL RELATIONS OFFICE	78	3,477		3,477	100 %	3,000	3,200	100 %
(113) PIO	3,604	352	2,250	-1,898	-84 %	3,000	3,000	0 %
(115) PUBLIC PROGRAMS	-1	-3		-3	-100 %			0 %
(120) OFFICE FOR LIBRARY ADVOCACY	2,464	1,941		1,941	100 %		1,825	100 %
(250) MEMBERSHIP SERVICES	2,885	7,311		7,311	100 %			0 %
(251) CHAP.RELATIONS/MEMB.DEVELOPMNT	3,219	4,427	1,875	2,552	136 %	3,750	4,100	9 %
(591) MEMBERSHIP DEVELOPMENT	4,298,398	4,267,833	4,310,994	-43,161	-1 %	5,747,988	5,568,660	-3 %
TOTAL REVENUES	4,339,688	4,309,331	4,343,469	-34,138	-1 %	5,792,538	5,617,285	-3 %
EXPENSES								
(100) COMMUNICATIONS, AED	369,893	436,992	479,825	42,833	9 %	646,611	619,280	4 %
(104) LIBRARY	280,021	264,643	277,042	12,399	4 %	375,098	363,049	3 %
(109) ORS	71,903	136,383	162,903	26,520	16 %	219,183	176,091	20 %
(111) INTERNATIONAL RELATIONS OFFICE	159,796	159,231	154,570	-4,661	-3 %	215,439	209,484	3 %
(113) PIO	384,181	374,363	407,664	33,301	8 %	546,805	510,390	7 %
(115) PUBLIC PROGRAMS	121,509	118,286	115,948	-2,338	-2 %	155,989	153,119	2 %
(120) OFFICE FOR LIBRARY ADVOCACY	162,419	147,383	179,976	32,593	18 %	241,505	237,877	2 %
(250) MEMBERSHIP SERVICES	398,590	420,688	427,889	7,201	2 %	570,196	531,884	7 %
(251) CHAP.RELATIONS/MEMB.DEVELOPMNT	67,408	74,347	83,707	9,360	11 %	161,896	151,061	7 %
TOTAL EXPENDITURES	2,015,719	2,132,316	2,289,524	157,208	7 %	3,132,722	2,952,235	6 %
NET REVENUES								
(100) COMMUNICATIONS, AED	-340,904	-414,514	-452,825	38,311	8 %	-610,611	-583,280	4 %
(104) LIBRARY	-280,021	-264,383	-277,042	12,659	5 %	-375,098	-363,049	3 %
(109) ORS	-71,850	-135,129	-161,553	26,424	16 %	-217,383	-175,591	19 %
(111) INTERNATIONAL RELATIONS OFFICE	-159,718	-155,754	-154,570	-1,184	-1 %	-215,439	-206,284	4 %
(113) PIO	-380,577	-374,011	-405,414	31,404	8 %	-543,805	-507,390	7 %
(115) PUBLIC PROGRAMS	-121,510	-118,289	-115,948	-2,341	-2 %	-155,989	-153,119	2 %
(120) OFFICE FOR LIBRARY ADVOCACY	-159,955	-145,442	-179,976	34,534	19 %	-241,505	-236,052	2 %
(250) MEMBERSHIP SERVICES	-395,705	-413,377	-427,889	14,512	3 %	-570,196	-531,884	7 %
(251) CHAP.RELATIONS/MEMB.DEVELOPMNT	-64,189	-69,920	-81,832	11,912	15 %	-158,146	-146,961	7 %
(591) MEMBERSHIP DEVELOPMENT	4,298,398	4,267,833	4,310,994	-43,161	-1 %	5,747,988	5,568,660	-3 %
TOTAL NET REVENUES	2,923,969	2,177,015	2,053,945	123,070	6 %	2,659,816	2,665,050	0 %

American Library Association
Schedule 2B – Commentary: Statement of Revenues and Expenses – Communications & Member Relations
May FY 2013

The Communications and Member Relations Department is made up of the following units: The AED Office, which includes the ALA Handbook of Organization; Membership Development; Office for Library Advocacy; Chapter Relations Office; International Relations Office; Library; Member and Customer Services; Office for Research and Statistics; Public Information Office; and the Public Programs Office.

AED Office and Membership Development

ALA membership dues revenue through the end of May was about \$4.14 million, which is less than budget by about \$166,000. Total ALA membership was 57,303. This is 265 fewer members than the April 2013 count and a reduction of 1,544 members compared to May 2012. Two divisions and six round tables had membership increases.

Personal member dues were \$3.21 million or 4.9% less (approximately \$166,000) than budget. This trend continues to be very consistent throughout the fiscal year. Corporate (Special) membership revenue of \$75,500 is about \$14,000 below budget. Organizational membership revenue is \$881,400 – better than budget by \$29,000. This growth reflects increases in medium and large libraries. While organizational revenue is up, total organizational membership is off by 3% compared to last year, with the largest drops in the very small, small, and very large library categories. A special promotion to encourage lapsed small/very small libraries to rejoin launched on April 7 and completed on June 7. Results will be available in July. Ongoing e-mail campaigns to all-size lapsed organizational members are being sent quarterly.

To support member retention, in March the 1st MVP (Member Value Programs) Digest, an e-publication, was sent to all personal and organizational members. The MVP Digest focuses on helping members get the most of out of their membership and increasing awareness of ALA benefits and services. The first issue of the MVP Digest was well received. This is a quarterly publication and the 2nd issue will be distributed in June. To support member recruitment, a new monthly e-mailing to non-members was launched in June. Each month, on an ongoing basis, a message encouraging recipients to join ALA will go to non-members who had a financial transaction with ALA in the previous 30 days.

At the close of FY13, total membership revenue is projected to be about \$190,000 under budget. Although organizational revenue is projected to be about \$40,000 over budget, personal member and corporate dues are expected to be about \$230,000 under budget.

Overall, the Membership Development expense budget through the end of May is \$38,000 under budget. Expenses for Membership Development will end the year about \$27,000 under budget.

Office for Library Advocacy (OLA)

Net revenue is about \$34,500 better than budget due to timing. OLA will end FY13 about \$5,000 under budget on expenses.

Chapter Relations Office (CRO)

Net revenue is about \$12,000 better than budget. CRO will end FY13 about \$11,000 under budget on expenses.

International Relations Office (IRO)

Net revenue is about \$1,200 under budget as some advanced IFLA expenses were accounted for in April. IRO will end FY13 about \$9,000 better than budget.

Library

Net revenue is about \$13,000 better than budget. The Library will end FY13 about \$12,000 under budget on expenses.

Member and Customer Services (MACS)

Net revenue is about \$15,000 better than budget. MACS will end FY13 about \$38,000 better than budget due to staff vacancies.

Office for Research and Statistics (ORS)

Net revenue is \$26,000 better than budget because of salary transfers for work completed on grant projects. ORS will end FY13 about \$42,000 better than budget due to a staff vacancy and to salary transfers that will be made upon completion of grant projects.

Public Information Office (PIO) and the Campaign for America's Libraries

Net revenue is about \$31,000 under budget. PIO will end FY13 about \$36,000 better than budget due to a staff vacancy. Expenses for the Campaign for America's Libraries are on budget and will end FY13 on budget.

Public Programs Office

Expenses for the PPO administrative project are almost exactly on target. The combined budget for all grant projects is more than budget by about \$312,000 due to timing. Overhead recovery is over budget by about \$16,000. The Cultural Communities Fund has a net asset balance of \$1.9 million.

American Library Association
Statement of Revenues and Expenses - Publishing Services

Schedule 3

	YTD Prior Year Actual	YTD Actual	YTD Budget	Variance	%	Annual Budget	Annual Projection	% Change From Budget
REVENUES								
ALA EDITIONS\TECHSRCE	3,773,045	3,730,689	5,451,858	-1,721,169	-32 %	7,270,187	5,659,225	-22 %
BOOKLIST	3,947,258	4,084,704	4,039,799	44,905	1 %	5,045,042	5,090,415	1 %
AMERICAN LIBRARIES	642,701	647,885	520,768	127,117	24 %	781,800	772,420	-1 %
ALA DIGITAL REF	309,404	476,525	920,720	-444,195	-48 %	1,253,202	701,977	-44 %
ALA GRAPHICS	1,050,672	816,545	1,035,027	-218,482	-21 %	1,300,584	1,017,884	-22 %
PUBLISHING MARKETING	0	0	0	0	0 %	0	0	0 %
TOTAL REVENUES	9,723,079	9,756,347	11,968,172	-2,211,825	-18 %	15,650,815	13,241,921	-15 %
EXPENSES								
ALA EDITIONS\TECHSRCE	3,628,772	4,120,331	5,098,451	978,120	19 %	6,740,173	5,893,606	13 %
BOOKLIST	3,028,348	2,878,914	3,180,649	301,735	9 %	4,118,265	3,844,301	7 %
AMERICAN LIBRARIES	1,035,603	894,462	915,510	21,048	2 %	1,286,473	1,215,453	6 %
AMERICAN LIBRARIES	-392,903	-246,577	-394,742	-148,165	-38 %	-504,671	-443,032	-12 %
ALA DIGITAL REF	799,827	1,005,631	1,121,652	116,021	10 %	1,415,111	1,165,756	18 %
ALA GRAPHICS	966,452	799,420	909,696	110,276	12 %	1,181,645	982,534	17 %
PRODUCTION SERVICE	0	0	0	0	0 %	0	0	0 %
PUBLISHING MARKETING	0	0	0	0	0 %	0	0	0 %
TOTAL EXPENSES	9,066,099	9,452,182	10,831,216	1,379,034	13 %	14,236,996	12,658,618	11 %
NET REVENUE								
ALA EDITIONS\TECHSRCE	144,273	-389,642	353,407	-743,049	-210 %	530,014	-234,381	-144 %
BOOKLIST	918,910	1,205,790	859,150	346,640	40 %	926,777	1,246,114	34 %
AMERICAN LIBRARIES	0	0	0	0	0 %	-2	-1	50 %
ALA DIGITAL REF	-490,423	-529,107	-200,932	-328,175	-163 %	-161,909	-463,779	-186 %
ALA GRAPHICS	84,220	17,125	125,331	-108,206	-86 %	118,939	35,350	-70 %
PRODUCTION SERVICE	0	0	0	0	0 %	0	0	0 %
PUBLISHING MARKETING	0	0	0	0	0 %	0	0	0 %
TOTAL NET REVENUES	656,981	304,166	1,136,956	-832,790	-73 %	1,413,819	583,303	-59 %

American Library Association
Schedule 3 - COMMENTARY: STATEMENT OF REVENUES AND EXPENSES – PUBLISHING
MAY FY 2013 FINANCIALS

Department Summary Total Revenues for the Department are \$2,211,825 less than budget, which is only slightly more than the shortfall in April. Direct Expenses are \$901,789 less than budget, consequently, the Contribution Margin (Total Revenues minus Direct Expenses) is \$1,310,036 less than budget, which is an improvement over April. The Subscription Equivalent in American Libraries is now \$148,165 better than budget, up from \$110,436 in April. Overhead expense is \$564,168 less than budget. And Net Revenues are \$832,790 less than budget, which is an improvement over April. Sales are hard to call, but still look promising. The combined ALA Editions unit had a strong May. Booklist Ads are holding up well, as are ads in American Libraries. ALA Graphics is still on track for meeting projection. RDA subscriptions are up 169% over this time last year. For the most recent 5 months RDA subscriptions are up 315% over the same period last year. Usage of the product, The RDA Toolkit, is 475% more than last year at this time. RDA revenue is up 180%.

Projection: The Net Revenue shortfall decreased since the last report. There continues to be potential upside as new and revised textbooks are published in June, and the strong product line in the Spring Graphics catalog registers sales in late summer. Reduction in production costs and general expense savings across the board will continue to contribute to the goal. The short answer is that upsides in Booklist, American Libraries, RDA, Production Services and ALA Graphics should offset the prospect of potential shortfalls in ALA Editions.

<u>Publishing Department</u>	<u>FY13 3/26 Projection</u>	<u>FY13 Budget</u>	<u>Variance</u>
Total Revenue	\$13,241,921	\$15,650,815	(\$2,408,894)
Total Expenses	\$13,101,647	\$14,741,667	(\$1,640,020)
Subscription Equivalent	(\$443,032)	(\$504,671)	\$61,639
Net Revenue(Loss)	\$583,306	\$1,413,819	(\$830,513)

ALA Editions Total Revenues for all imprints are \$3,730,689. The yearend projection is \$5,659,225. The frontlist is weighted toward the end of the year. Nine textbooks will be coming out in June and July, which will skew sales to those months and August. The projected contribution was based on the following performance levels: \$300,000 in May, 500,000 in June, \$800,000 in July and 900,000 in August. Actual revenue for May was \$585,000. Prospects are still viable. While ALA Editions, ALA Neal-Schuman, and the Huron Street Press are still missing budget, Total Revenues for ALA TechSource, the Unit's technology/online learning imprint, are now \$143,262 or 27% more than budget. This is \$21,974 or 18% more than April. TechSource Net Revenues are 100% more than budget. May reports show a Net Loss of (\$429,564) for the unit. The projection for yearend Net Revenue is \$295,633, which is ambitious and will be contingent largely on textbook sales in July and August.

Booklist Total Revenues for Booklist Publications are \$44,905 more than budget. Gross advertising is \$91,706 more than budget, thanks to strong performance in electronic ads and a return to form in print. May is close to budget as will June, but July

and August are likely to see a fall off, as summer ad sales are traditionally soft. Subscription revenues are \$63,719 more than budget. Subscription revenue will remain better than budget, but the variances will stabilize in the next 2-3 months, returning close to projection by year's end. Direct Expenses are \$251,945 less than budget. Significant variances include salaries, postage, and manufacturing. Salary savings reflect open positions, which will remain open throughout the year. Variances in manufacturing (printing, binding, prepress, handling, paper, and postage) are a result of lower print runs and fewer pages per issue. Variances will stabilize as remaining issues are projected to meet page budgets. Year-end total expenses will be close to projection. Net Revenues are \$346,640 more than budget. That figure will drop in the fourth quarter but should equal projection at year's end.

American Libraries

Total revenues are \$127,117 more than budget. This is up from \$35,426 more than budget in April. Direct Expenses are \$53,463 less than budget. General Overhead is \$32,417 more than budget. The Subscription Equivalent is therefore \$148,165 better than budget (\$127,117 plus \$53,463 minus \$32,417 equals \$148,165). This is an improvement of \$37,677 over April. Subscriptions are \$4,457 more than budget. Display Ad Revenues are \$64,204 more than budget. Classifieds are \$45,413 more than budget. Royalties, primarily from the Buyer's Guide, are \$13,293 more than budget. Both print and electronic ads are more than budget. Payroll Related expenses are \$10,632 less than budget, largely because of open positions, but, as a result, Outside Services, where temporaries are charged, is \$7,696 more than budget. Travel is \$11,722 less than budget. Publication Related expenses are \$20,600 less than budget but mainly because of a timing difference in recording manufacturing expenses. Operating Expenses are \$8,399 more than budget because of timing on postage charges. IUTs are \$26,604 less than budget mainly because of unbudgeted internal advertising chargebacks, which are taken as expense offsets. Overhead is \$32,417 more than budget because revenues are more than budget. Prospects for meeting the yearend projection are holding.

ALA Digital Reference Total revenues are \$444,195 less than budget. Direct Expenses are \$2,626 less than budget. Overhead is \$113,395 less than budget. Net Revenues are \$328,175 less than budget, which is a \$45,000 improvement over April. Guide to Reference. Total Revenues for Guide to Reference are \$41,037 less than budget. Direct Expenses are \$7,230 more than budget. Overhead is \$10,589 less than budget. Net Revenues are \$37,678 less than budget. Plans are in place to move to a lower cost hosting company and to review the product delivery model so as to modify the pricing structure and expand the customer base by shifting the expense from a library's reference budget to its book budget. RDA. Total Revenues are \$403,159 less than budget. Direct Expenses are \$29,834 more than budget. Overhead is \$102,806 less than budget. Net Revenues are \$330,186 less than budget. The revenue shortfall is largely due to the delay in authorizing the new standard at the Library of Congress and the demand from LC's RDA Test Committee to re-write the content. These restrictions were cleared at the end of March but this is only just now beginning to take effect. As mentioned above in the Department Summary, activity is beginning to pick up. RDA subscriptions are up 169% over this time last year. For the most recent five months RDA subscriptions are up 315% over the same period last year. Usage of the product, The RDA Toolkit, is 475% more than last year at this time. RDA revenue is up 180%. Payroll Related expenses are \$1,989 more than budget because of allocation variances that didn't get adjusted before the budget was set. Outside Services is \$9,221 over budget because of the need for temporary administrative support. Travel is \$1,147 less than budget. Meetings and Conferences are \$2,532 less than budget because of economies on booth expenses. Publication Related expenses are \$3,960 less than budget because of lower order fulfillment expenses. Operating Expenses are \$43,816 more than budget due to low print sales, which are recorded as an expense offset. IUT expenses are \$17,553 less than

budget because of an accounting correction. Overhead is \$102,806 less than budget because of the revenue shortfall. RDA is on track for meeting projection. Production Services expense recovery is \$39,690 ahead of budget in part because of timing differences in processing chargebacks but also because this cost recovery unit has been taking on more projects from member services and conference.

ALA Graphics

Total Revenues are \$218,482 less than budget. Direct Expenses are \$54,555 less than budget. Overhead is \$55,720 less than budget. Net Revenues are \$108,206 less than budget. The revenue variance that developed with the slow start to the fiscal year is not expected to turn around until orders from the Fall catalog take effect in mid-July and August for the beginning of the next academic year. The current product line includes a READ poster with Henry Cavill, the star of the new Superman movie, Man of Steel.. The Fall catalog will be 48 pages (vs. standard 32) and debut more than two dozen new products including a READ poster and bookmark with the cast of The Big Bang Theory—the #1 comedy on TV.

The major categories of savings are Payroll Related (\$16,367) as a result of an open position, Order Processing/Fulfillment (\$18,230) resulting from new more cost-effective packaging as well as the shortfall in sales, Cost of Sales (\$28,043) because of the shortfall in unit sales, and General Overhead (\$55,720) also as a result of the sales shortfall. Savings are offset mainly by a delay in processing royalties from ALA Units (\$27,790), which are budgeted as an offset to expenses.

The spring projection still holds. The Fall product offerings are promising. There will be economies in marketing from optimizing mailing lists and lower online store programming expenses, and there will be continued savings in Order Processing/Fulfillment from the new packaging options.

American Library Association
Statement of Revenues and Expenses - Member Programs & Services

	YTD Prior Year Actual	YTD Actual	YTD Budget	Variance	%	Annual Budget	Annual Projection	% Change from Budget
REVENUES								
ANNUAL CONFERENCE	-8,757	11,249		11,249	100 %	6,234,229	6,234,229	0 %
MIDWINTER CONFERENCE	2,609,856	2,546,230	2,682,395	-136,165	-5 %	2,682,395	2,605,673	-3 %
OFFICE FOR HUMAN RESOURCE DEVEL	4,564	3,795	19,444	-15,649	-80 %	38,375	37,375	-3 %
OFF/LIB OUTREACH SERV (OLOS)	7,092	6,696	3,100	3,596	116 %	6,200	6,200	0 %
OFF/INTELLECTUAL FREEDOM (OIF)	113,233	108,950	134,875	-25,925	-19 %	241,000	205,500	-15 %
OFFICE FOR ACCREDITATION (OA)	64,525	65,123	64,372	751	1 %	64,372	67,122	4 %
DIVERSITY	4,960	20	7,800	-7,780	-100 %	10,400	10,400	0 %
MEMBER/PROGRAM & SERVICES/AED			2,000	-2,000	-100 %	4,000		-100 %
TOTAL REVENUES	2,795,473	2,742,062	2,913,986	-171,924	-6 %	9,280,971	9,166,499	-1 %
EXPENSES								
ANNUAL CONFERENCE	765,612	875,820	1,019,839	144,019	14 %	4,942,438	4,939,280	0 %
MIDWINTER CONFERENCE	2,339,059	2,500,524	2,576,933	76,409	3 %	2,592,450	2,510,937	3 %
INFO & TELECOMM. SYSTEMS	1,847,605	1,832,482	1,944,382	111,900	6 %	2,602,838	2,507,099	4 %
OFFICE FOR HUMAN RESOURCE DEVEL	238,886	249,462	265,463	16,001	6 %	374,630	386,852	-3 %
OFF/LIB OUTREACH SERV (OLOS)	221,569	106,479	228,920	122,441	53 %	307,824	241,429	22 %
OFF/INTELLECTUAL FREEDOM (OIF)	509,122	513,713	514,305	592	0 %	668,567	627,972	6 %
OFFICE FOR ACCREDITATION (OA)	223,097	187,799	228,378	40,579	18 %	312,273	281,172	10 %
DIVERSITY	153,408	120,090	117,275	-2,815	-2 %	157,535	176,769	-12 %
MEMBER/PROGRAM & SERVICES/AED	171,865	210,635	179,629	-31,006	-17 %	242,748	227,561	6 %
TOTAL EXPENSES	6,470,222	6,597,004	7,075,124	478,120	7 %	12,201,303	11,899,071	2 %
NET REVENUES								
ANNUAL CONFERENCE	-774,370	-864,571	-1,019,839	155,268	15 %	1,291,791	1,294,949	0 %
MIDWINTER CONFERENCE	270,797	45,705	105,462	-59,757	-57 %	89,945	94,736	5 %
INFO & TELECOMM. SYSTEMS	-1,847,605	-1,832,482	-1,944,382	111,900	6 %	-2,602,838	-2,507,099	4 %
OFFICE FOR HUMAN RESOURCE DEVEL	-234,321	-245,667	-246,019	352	0 %	-336,255	-349,477	-4 %
OFF/LIB OUTREACH SERV (OLOS)	-214,477	-99,783	-225,820	126,037	56 %	-301,624	-235,229	22 %
OFF/INTELLECTUAL FREEDOM (OIF)	-395,889	-404,763	-379,430	-25,333	-7 %	-427,567	-422,472	1 %
OFFICE FOR ACCREDITATION (OA)	-158,572	-122,676	-164,006	41,330	25 %	-247,901	-214,050	14 %
DIVERSITY	-148,448	-120,070	-109,475	-10,595	-10 %	-147,135	-166,369	-13 %
MEMBER/PROGRAM & SERVICES/AED	-171,865	-210,635	-177,629	-33,006	-19 %	-238,748	-227,561	5 %
TOTAL NET REVENUES	-3,674,750	-3,854,942	-4,161,138	306,196	7 %	-2,920,332	-2,732,572	6 %

American Library Association
Schedule 4 – Statement of Revenues and Expenses – Member Programs & Services
May FY 2013

SUMMARY

There are some grounds for modest optimism in the MPS May results:

- The ALA 2013 Annual Conference registration is strong. While exhibit space sales are less than budgeted, the deficit will be partially offset by registration.
- The ALA 2013 Midwinter Meeting performed well and produced a net revenue, in spite of lower than budgeted exhibit space sales and donations.
- Employer interest in the ALA JobLIST Placement Center at Annual Conference is up somewhat from 2012.
- The 2013 ACRL Conference was strong both programmatically and financially, offsetting shortfalls elsewhere in the ACRL budget.
- ACRL/CHOICE will see the initial revenue from the new ACRL/CHOICE Webinar series.
- CE remains a strong revenue source for a number of Divisions, including ALCTS, LITA, LLAMA and RUSA.
- ALSC is reporting strong sales of seals – both physical and digital.
- Every Child Ready to Read (ALSC, PLA) remains a strong product; a Spanish-language edition will be released in late FY13.

There are also some continued grounds for concern:

- Membership remains soft, with some notable exceptions. (ALSC is performing ahead of budget on dues. PLA is ahead of FY12.)
- While ASCLA revenues are running ahead of FY12 and UNITED has seen its initial group purchase, ALA's smallest Divisions continue to struggle.
- Looking across a range of events, registration still remains challenging, as do donations.
- The impact of mergers/acquisitions and overall industry consolidation are visible in both exhibit space sales and donations.
- The cost of and demand for conference audiovisual services and on-site internet connectivity are outpacing budgets.

GENERAL FUND

CONFERENCE SERVICES

MIDWINTER:

At the end of May, the 2013 ALA Midwinter Meeting was showing a net revenue of \$45,705, compared to a budgeted net of \$105,462, and a Contribution Margin of \$724,776 compared to a budget of \$827,504. Gross revenues were \$2,546,230 compared to a budget of \$2,682,395. While registration revenue was slightly higher than budgeted (+10%), exhibit space sales were 11% less than budget (\$1,229,117 against a budget of \$1,382,000). Both advertising and commissions were better than budget.

On the expense side, AV charges were high -- \$385,764 against a budget of \$234,250. Exhibits-related expenses were also high -- \$205,404 against a budget of \$150,000. Postage/email costs were higher than budget. Most other expense lines were at or below budget.

ANNUAL:

Annual Conference revenue is on target with excess registration revenue balancing shortfalls in exhibits.

Some major expenses are on track (decorating, rent, shuttle buses), but some are projected to be over-budget:

Temporary staffing for registration - original contractor declined to provide service in late May due to staffing issues. New contractor is more expensive. Lack of volunteers will lead to hiring of some temps for bag stuffing.

Printing - Although expenses were reduced by in-sourcing design for the program book, without reprographic services many of the items printed closer to conference (addendum, poster session booklet, stage schedules, registration forms) will have to be outsourced at a higher cost.

Session Recording - There have been some savings in using less rooms for programs than originally projected, but increased need for sound equipment and higher speed internet costs will outpace savings.

AV/Computer/Internet/Electrical - These expenses related to the overall production of sessions and meetings is still not controlled as needed, partially due to temporary reductions in conference services staffing.

ITTS

At the end of May 2013, ITTS expenses are 6% or \$111,900 under budget.

Leases expenses are lower than expected because we are no longer leasing equipment. Professional services are low due to timing issues. These dollars are being used on managed services to supply us with consultants with a range of expertise.

The FY 2013 budget is projected to be under budget by \$79,515. This is due mostly to lower than expected leasing and depreciation expenses.

MPS AED

The AED budget is currently at -\$210,635 against a budget of -\$177,629; however, this includes a \$56,382 charge from the October Division Leadership/Joint Boards meetings, which will largely be allocated to various ALA Divisions. With that reallocation, the SAED budget will end better than budget. The SAED budget also absorbed a cost share for the Library Support Staff Certification grant (IMLS).

HRDR

Expenses

Overall, expenses are still running under budget. Employee Benefits are running slightly higher than budget along with some costs for business meetings and operating expenses.

Revenues

Revenues remain flat for this month with no change. The JobLIST Placement Center revenues for Chicago show early signs of promise due to additional recruitment vendor booth registrations. We anticipate a bump before the end of the fiscal year due to transfers for support from the JobLIST project. (Transfers are made annually from ACRJ and AL at the end of the fiscal year to Placement.)

OA

At the end of May, OA is at -\$122,676 against a budget of -\$164,006 -- \$751 ahead on revenue (fees for late reports); \$40,579 under on expenses (payroll w/vacant PO line and other cost savings). OA expects to end FY ahead on revenue with one more \$1,000 spring review billing. Will end below on expenses mainly due to salary savings.

Office for Diversity/Office for Literacy and Outreach Services

OFD

OFD is 10% ahead of budget at the end of May. There is a small variance in salaries/related due to the vacancy in the shared OFD/OLOS director position (filled February 11, 2013), but most salary savings were taken in OLOS. Salary savings have been partially offset by the temporary employee to support the work of the combined offices, though the expense has been taken in Diversity. There were travel/related savings.

OLOS

At the end of May, OLOS is 56% lower than budget. The vacant Director position (shared with OFD) was filled February 11, 2013. There has been a vacant administrative assistant position for most of the year-to-date; the expense for a temporary employee has been carried in OFD. There have also been savings in travel/related lines. Expenses in printing/related are ahead of budget due to completion of the new Services to the Homeless toolkit.

OLOS anticipates a \$1500 payment from TWU for sessions led by the OFD/OLOS Director during the TLA conference in April.

Effective FY 2014, these two offices will be combined in a single budgetary unit, though they will continue to function in both programmatic areas.

OIF

Overall, expenses for OIF remain at or below budgeted amounts, and we maintain our cautious hope that OIF will come in at or below our adjusted budget for the year. The departure of Angela Maycock and the anticipated reimbursement from the OSF News Know-How for a

portion of Barbara Jones' salary will allow OIF to cover its attrition factor and make up for the loss of revenues from online learning tuition and declining royalties for the IF Manual.

Banned Book Week revenues are slightly off versus projections (2%) and BBW is also showing a very small loss (\$370). However, we are still \$9,000 ahead of last year's sales revenues at this time and are still anticipating the receipt of significant revenues from this summer's sales of new BBW materials online and through the ALA Store at Annual Conference. Our only note of caution concerns our order fulfillment expense, which has already exceeded both the annual budgeted amount and last year's actual expense. We will continue to work with Graphics on this issue.

Subscription revenues for the Newsletter on Intellectual Freedom remain about 50% below budget, but offsetting savings in expenses keep NIF on a break even basis. We are planning to promote NIF subscriptions this summer.

American Library Association
Statement of Revenues and Expenses – Divisions

Schedule 8

	YTD Prior Year Actual	YTD Actual	YTD Budget	Variance	%	Annual Budget	Annual Projection	% Change from Budget
REVENUES								
PUBLIC LIBRARY ASSOC (PLA)	3,937,307	626,185	604,353	21,832	4 %	867,428	756,428	-13 %
ASSOC/COLL & RES LIBS (ACRL)	1,575,451	3,889,085	3,619,411	269,674	7 %	4,412,388	4,613,423	5 %
CHOICE	2,245,038	2,128,457	2,234,463	-106,006	-5 %	3,157,757	2,974,540	-6 %
AMER ASSOC OF SCH LNS (AASL)	1,789,242	522,779	673,424	-150,645	-22 %	870,105	779,540	-10 %
ASSOC SPEC COOP LIB AGCY(ASCLA)	67,237	71,435	78,943	-7,508	-10 %	115,520	120,220	4 %
ASSN/LIB CLLN/TECH SERV(ALCTS)	397,557	390,721	414,671	-23,950	-6 %	584,687	572,940	-2 %
LIB ADM & MGT ASSOC (LAMA)	168,575	175,330	199,269	-23,939	-12 %	291,850	248,620	-15 %
REF. & USER SERV. ASSN. (RUSA)	240,453	295,677	246,280	49,397	20 %	345,520	344,020	0 %
United For Libraries	280,478	270,120	338,999	-68,879	-20 %	471,630	456,630	-3 %
LIB & INF TECH ASSOC (LITA)	322,864	306,166	364,470	-58,304	-16 %	467,766	452,797	-3 %
ASSOC/LIB SERV TO CH (ALSC)	854,706	1,013,201	791,900	221,301	28 %	1,112,110	1,226,404	10 %
YNG ADLT LIB SERV ASSN (YALSA)	339,768	519,949	535,200	-15,251	-3 %	757,890	658,536	-13 %
TOTAL REVENUES	12,218,675	10,209,104	10,101,383	107,721	1 %	13,454,651	13,204,098	-2 %
EXPENSES								
PUBLIC LIBRARY ASSOC (PLA)	2,805,804	921,729	1,163,266	241,537	21 %	1,564,636	1,466,178	6 %
ASSOC/COLL & RES LIBS (ACRL)	1,684,468	3,171,807	3,341,864	170,057	5 %	4,379,602	4,207,373	4 %
CHOICE	2,238,096	2,272,986	2,448,585	175,599	7 %	3,273,004	3,025,189	8 %
AMER ASSOC OF SCH LNS (AASL)	1,525,924	819,194	1,248,845	429,651	34 %	1,640,448	1,375,178	16 %
ASSOC SPEC COOP LIB AGCY(ASCLA)	69,660	54,261	113,473	59,212	52 %	110,286	113,578	-3 %
ASSN/LIB CLLN/TECH SERV(ALCTS)	367,868	379,909	406,502	26,593	7 %	584,949	570,235	3 %
LIB ADM & MGT ASSOC (LAMA)	167,899	167,247	206,991	39,744	19 %	301,118	247,336	18 %
REF. & USER SERV. ASSN. (RUSA)	253,167	267,889	377,671	109,782	29 %	537,965	462,960	14 %
United For Libraries	373,122	290,607	377,553	86,946	23 %	464,934	447,043	4 %
LIB & INF TECH ASSOC (LITA)	337,626	290,026	346,806	56,780	16 %	464,678	447,779	4 %
ASSOC/LIB SERV TO CH (ALSC)	693,591	785,005	811,841	26,836	3 %	1,171,401	1,188,621	-1 %
YNG ADLT LIB SERV ASSN (YALSA)	467,679	537,781	551,618	13,837	3 %	721,805	647,957	10 %
TOTAL EXPENSES	10,984,905	9,958,441	11,395,015	1,436,574	13 %	15,214,826	14,199,427	7 %
NET REVENUES								
PUBLIC LIBRARY ASSOC (PLA)	1,131,503	-295,544	-558,913	263,369	47 %	-697,208	-709,750	-2 %
ASSOC/COLL & RES LIBS (ACRL)	-109,017	717,278	277,547	439,731	158 %	32,786	406,050	1138 %

AMERICAN LIBRARY ASSOCIATION
Divisions Statement of Revenues and Expenses
For the Period Ending May 2013

Schedule 8

	YTD Prior Year Actual	YTD Actual	YTD Budget	Variance	%	Annual Budget	Annual Projection	% Change from Budget
CHOICE	6,942	-144,529	-214,122	69,593	33 %	-115,247	-50,649	56 %
AMER ASSOC OF SCH LNS (AASL)	263,317	-296,416	-575,421	279,005	48 %	-770,343	-595,638	23 %
ASSOC SPEC COOP LIB AGCY(ASCLA)	-2,423	17,174	-34,530	51,704	150 %	5,234	6,642	27 %
ASSN/LIB CLIN/TECH SERV(ALCTS)	29,689	10,812	8,169	2,643	32 %	-262	2,705	1132 %
LIB ADM & MGT ASSOC (LAMA)	676	8,082	-7,722	15,804	205 %	-9,268	1,284	114 %
REF. & USER SERV. ASSN. (RUSA)	-12,714	27,788	-131,391	159,179	121 %	-192,445	-118,940	38 %
United For Libraries	-92,644	-20,487	-38,554	18,067	47 %	6,696	9,587	43 %
LIB & INF TECH ASSOC (LITA)	-14,762	16,140	17,664	-1,524	-9 %	3,088	5,018	63 %
ASSOC/LIB SERV TO CH (ALSC)	161,114	228,196	-19,941	248,137	1244 %	-59,291	37,783	164 %
YNG ADLT LIB SERV ASSN (YALSA)	-127,912	-17,832	-16,418	-1,414	-9 %	36,085	10,579	-71 %
TOTAL NET REVENUES	1,233,770	250,664	-1,293,632	1,544,296	119 %	-1,760,175	-995,329	43 %

American Library Association
Schedule 5 – Statement of Revenues and Expenses – Divisions
May FY 2013

AASL

As of May, AASL is showing a deficit of \$296,000 which is better than a budgeted deficit of \$575,421. Dues remain slightly off, Fall Forum net revenue of \$15,000, half of revenue target, will be reflected in revenue projections for the entire year. Revenue for online courses is markedly off budget primarily due to planned courses that did not materialize. Publication sales remain fairly strong; subscriptions and advertising are mediocre. In all, revenues of \$522,779 are \$150,645 under budget. Expenses are under budget by over \$400,000 primarily as the result of three unfilled staff positions, salary savings from the Dollar General grant and general cost savings across multiple projects. Based on advance registration, Annual Conference events will have minimal impact on revenues. Across the board savings should hold. AASL will finish the year at least \$250,000 better than budget.

ACRL (including CHOICE)

ACRL

ACRL's successful ACRL 2013 Conference in Indianapolis is driving (pun intended) ACRL to a financially successful FY13 and we anticipate ending the year with a net of \$546,209. Total revenues are expected to be \$4,712,463 and total expenses are projected to be \$4,166, 254. ACRL exceeded budget in registration, exhibits and donation revenues for the conference which more than offset missing revenue targets in book sales, statistics sales, webinars, print ads, and subscriptions. Membership dues revenue is projected to be about 2% under budget, a troubling trend in a year of an ACRL Conference. The ACRL Board authorized disbursement of \$33,000 in Friends donations for special projects that was not budgeted contributing to our excess net revenues. In addition there is about \$60,000 in revenue in the ACRL 2013 Conference budget that we are still investigating and which may not be correctly attributed to ACRL (as of this writing this is not included in our projection). Online advertising again helped to make up for lackluster print ad sales and classified advertising is expected to exceed budget by 6%. The increased revenues increased ACRL's overhead payment to ALA to \$697,393. Taxes of \$15,659 are still included in this projection and will change depending on ALA's overall tax return. Also contributing to the net revenue was considerable expense savings in salaries and special projects. Due to short staffing and the extra work during a conference year some budgeted initiatives were not undertaken.

CHOICE

Total revenues through May \$2,128,457, which is \$106,006 (5%) below budget and \$116,581 (5%) below last May. At \$2,272,986, total expenses are also below budget (by \$175,599 or 7%) but running slightly ahead of last year (\$34,890 or 2%). Net revenues are negative at (\$144,529) but nonetheless somewhat better than budget (by \$69,593 or 33%). Compared to last year at this time, however, net revenues are \$151,471 (or 2,182%) below May 2012 results.

Unfortunately, the outlook for the remainder of FY13 is not terribly promising. There are some bright spots. Licensing revenues are projected at \$630,516, which is \$11,956 (2%) better than budget and \$59,701 (10%) better than last year. Similarly, we expect both RCL and online ad sales to exceed last year's numbers, although neither is likely to make budget. RCL revenues, for example, are currently projected at \$331,280, which is \$12,384 (4%) better than last year but \$41,595 (11%) below budget. Similarly, online ad sales are currently projected at \$118,998, which is \$31,850 (37%) better than last year but \$2,912 (2%) below budget. CHOICE will also realize its first revenues from the new ACRL/CHOICE

webinar program in FY13. Although 2013 revenues from this program will be modest—roughly \$3,500—its longer term potential is quite promising based on early results. For example, Rowman and Littlefield’s April webinar, “Library 2020”, attracted more than 1,000 registrants and nearly 500 attendees, versus a goal of 400 registrants and 200 attendees.

**ALCTS
REVENUE:**

Overall, revenue is \$23,950 under budget or 6%. Personal dues revenue is lagging budget by 6% but only 3% below FY12. Registration fees have increased and are now over budget by 6%. The spring offerings drew good numbers and made up any deficit caused by lack of CE at Midwinter and in December and January. Book sales continue to exceed the budget. LRTS revenue is down 12% from budget and 6% below FY12. Subscription drops in January and slow renewals have depressed a recovery. Donations remain under budget but not all donations have been processed. Donations may not reach the budgeted amount despite having a better than average response.

EXPENSES:

In general, expenses are tracking well to budget. Two exceptions for May: institutional repository expense was posted to Professional Services (5110) rather than Software (5501) and the awards expenses budgeted for June were posted in May (5306). Overhead is near budget. Direct expenses (exclude overhead and taxes) are under budget (\$26,116).

PROJECTION:

Through May, one of our chief indicators, dues, stands below budget by \$11,000 and about \$3,000 below FY12. Dues will be closer to the projected amount of \$221,000. CE and pre-conference revenue will be crucial again this year to maintain a healthy net positive balance in the budget. The lack of a good attendance for the MW Symposium, no virtual MW Symposium, and no webinars in December and January created strain on the revenue. CE revenue was good through the spring and will continue through the summer as more offerings are presented. ALCTS has two virtual pre-conferences and four in-person pre-conferences which will help counter the lack of good showing for MW. The virtual pre-conferences did not have large registrations but good numbers. Two of the pre-conferences have very good registrations, one moderate, and one low. Book sales are excellent and have held now through May. LRTS subscriptions have fallen further behind over the year, now down 12% from budget and will not recover even to the projected FY13 \$60,000. Donations through May improved but will fall short of an aggressive budgeted amount. Budgeted overhead should be reached by the end of FY13 with noted pre-conferences and strong summer webinar and web course registrations.

At this point, the ALCTS budget may be slightly under in revenue (May below 6%) and expenses (May below 7%). A net positive is anticipated if the revenue assumed materializes and we can keep expenses down the last quarter.

ALSC

As of May (3rd quarter) financials, ALSC dues continue to perform ahead of budget by just over 3%. Overall seals revenue (both print and digital) is running ahead of budget by about 36%. Revenue from licensing the digital seal images still remains our strong point. Year-to-date we are about 478% ahead of budget in digital seal revenue. Online CE total revenue is 41% under budget, but expenses are significantly under budget by 48%.

Net revenue from online CE is currently \$20,002 which is 35% under budget. As previously mentioned we did expect revenue to come in under budget as the year progresses since we offered 4 Caldecott webinars free of charge to ALSC members (per Board vote). We have a summer session of six online courses scheduled and will be offering several webinars throughout the summer. Every Child Ready to Read sales continue to perform ahead of budget (190%). There were good sales during the month of May. Subscription revenue for Children & Libraries continues to perform at about 32% under budget, but we are almost 10% ahead of budget in advertising revenue. This is in part to the special Caldecott 75th Anniversary issue. Non-serial publication revenue is steady based on reports received from publishing. Currently, the project is skewed as revenue from sales of packaged seals is posting to this account rather than to the seal project. Until this is sorted out, I am unable to provide accurate percentages. The preconference has sold out. Revenue should post sometime in July or August after the conference. The same holds true for expenses. Ticket sales for the Newbery-Caldecott-Wilder Banquet have been steady and we anticipate a crowd of 1,100 which is on par with the 2009 Banquet when we were last in Chicago.

Total expenses are under budget by 3%. Factors contributing to this were salary and benefit savings from an open position, not utilizing as many outside services (bank fees, graphic designers, etc.), travel expenses are under budget by 30%. Areas where we are over budget are the physical seals production (46%) and with Día de los niños/Día de los libros. As previously reported, revenue generating Dia activities (online course, webinars) did not occur this year due to staff shortages. We are also keeping a better track of true expenses related to how the project has traditionally operated. We offer free materials to those that register in the national program registry in order to attempt to quantify national participation (mailing materials, postage, and printing). The current net expense is - \$6,847 which does not include staff time. However, it's important to keep in mind that we have been able to complement our Dia activities with funding from the Dollar General Literacy Foundation. We've been able to extend the reach of Dia and provide resources to the profession. This activity must remain separate from our regular Dia project since funding comes through a grant.

Overall, ALSC remains in good financial standing. I do project that we will finish the year well ahead of budget. We had budgeted for a net expense of -\$59,291. In February, I projected closing the year with a net revenue of \$44,361. We have many expenses related to Annual Conference, but we should come in well ahead of the spring projection.

ASCLA

Revenue: Ahead of last year at the same time by about \$4,000; preconference revenue and online learning revenue will drive whether the projection will be met. Preconferences are doing well as of May 2013 and we expect one to do very well, and the other two to at least break even.

Expenses: Expenses so far this year have come in at a much lower amount than projected. With the addition of the small division subsidy, ASCLA's total actual expenditures are under projections by about \$25,000 for this time of year. ASCLA's total actual expenditures for this year are about \$15,000 under actual expenditures last year at the same time.

ASCLA Tours and Online Learning Events: Tours came in very slightly under projection. The planned trip to Southern France in October 2013 has been hard to recruit travelers for, but will still probably meet a little over 2/3 of the revenue projection. We will be planning another trip later in FY2014. Online learning events have been doing well and we expect to hit projection or near it.

Dues: Dues are holding steady with about the same amount as last year at this time

LITA

LITA revenues are 16% below budget and expenses are 16% below budget. In FY13 LITA programming includes the Forum, web courses, webinars, two Midwinter Workshops and three Annual Conference preconferences. Registration for the Annual Conference preconferences is above average. One preconference has sold out at 50 and the other two both have over 30 people registered. Those revenues and expenses have not been posted to date.

LLAMA

Most projects are tracking closely with FY12 results, including membership, publications and administration. Revenue is ahead of FY12 due to the MW institute and web CE. Expenses are slightly behind FY12 due to savings in travel, marketing and LL&M. Net revenue is approx. 16k ahead of budget and 7k ahead of FY12. For Annual, all 3 preconferences and the fundraiser are projected to produce net revenue. In addition, 3 more webinars are planned post-Annual. Net revenue from these projects will offset a decline in dues and contribute to a projected year-end result of \$4,682, well ahead of budget (-\$9,268) and also ahead of FY12 (-\$1,074).

PLA

Revenues

Overall PLA revenues are close to budget at \$626,185 (budget is \$604,353, a 4% variance). Dues are over budget (actual \$343,794 vs. budget of \$277,632) as are Every Child Ready to Read product sales. The release of the Spanish edition later this summer will keep revenues strong for this project (currently \$51,498 vs. budget of \$18,000). With a high quality program line-up, webinar revenues also are over budget (actual \$57,175 vs. budget \$47,998). *Public Libraries* magazine advertising and subscriptions are slightly over budget at \$60,800 vs. budget of \$57,722.

These overages are offset by lower than budgeted donations (actual \$17,230 vs. budget \$45,996); virtual spring symposium registration (actual \$44,145 vs. \$66,360); CPLA (actual \$6,700 vs. budget \$13,000) and publication sales including PLDS (actual \$40,149 vs. budget \$62,608). For publications, a planned publication will be released end of FY; PLDS is challenged by lower than anticipated sales of the electronic-only product (print was phased out). PLA offered one CPLA course at the request of a library system; registration was less than budgeted. Revenues for the PLA preconference at ALA are not yet posted; we budgeted for two preconferences but decided to hold one on a strong topic, digital media labs. That preconference has excellent registration, however, it will not make budget (estimated revenue of \$9000 vs. budget of \$15,532). PLA Bootcamp (to be held in August) is looking strong.

As of May, revenue overages in dues, webinars and CE, and ECRR are making a dent in underperformance in other areas. Current projection on revenues is that PLA will be off by 8% (budget \$867,428 vs. revised projection of \$798,033), an improvement over our original projection of \$756,428 (13% under budget).

Expenses

Actual expenses (\$921,729) are 21% under the budget of \$1,163,266. This includes salary/benefit savings for 1.5 vacant positions and grant funding of percentages of two positions. Expenses related to the planned publication are not yet posted and we have not yet incurred expenses for CE to be offered this summer.

Leadership training expenses (beyond the planning grant dollars received) were higher than budgeted. Expenses related to PLA2014 program planning and promotion and late charges from PLA2012 that were booked to FY13 offset salary and other savings. Current projection: expenses will come in at 95% of budget (\$1,486,404) against budget of \$1,564,636 or a \$78,000 savings for a net that is close to budget.

RUSA

Total revenue: Far better than projected due to good sales of online learning events. Online learning projected: \$49,500; actual: \$89,000. Total actual revenue = \$295,677 compared to total projected revenue of \$246,280 for this time of year; an increase of about \$49,400 over total projection.

Total Expenses: Over where they were last year at this time by about \$14,700, however under projections for where they should be this time of year by about \$30,000 (this does not take into account the \$80,000 placeholder from the reserve funds - see below).

Dues: Dues continue to come in slightly under projection - at about \$3,662 less than last year same time.

Reserve Funds Expenditures: \$68,600 from the reserve fund was included in the budget for this fiscal year for special projects. Approximately \$30,000 has been spent - some projects were cancelled. An additional \$80,000 placeholder was put in the budget for reserve funds to be spent on additional unspecified activities that would be identified during the fiscal year - only about \$3,600 has been spent from this amount.

UNITED FOR LIBRARIES (prev. ALTAFF)

Currently United for Libraries is running a deficit of \$20,000. We believe, however, that revenues will outpace expenditures based on pledges not yet received, additional membership revenue, the remaining small division subsidy, event revenues from ALA annual conference in Chicago, remaining CFC contributions, and \$20,000 recently received in corporate support but not shown in May closing. We are making inroads to reducing the size of the gap between revenues and expenditures in our operating budget and this year will be no different.

YALSA

Revenues:

Dues 6.0% behind budget, Membership is down slightly in the regular dues category, but up in the discounted categories

Events: Symposium net profit was \$36K (against a budgeted net of \$49K); 25.5% of gross registration revenue goes to ALA as overhead.

Sales

- self published books, better than budget
- YALS subscriptions, 49% behind budget
- Bulk seals are better than budget

Royalties for co-published titles & products are issued in Mar & Aug.

CE

- Webinars are 37% behind budget

- e-courses are 16% behind budget
- Institutes are behind 48%
- Instructional kits have recouped all their expenses & begun showing a profit

A postcard mailing highlighting CE went out to nearly 2,000 individuals in early June, and an e-blast about the kits went out to LLAMA members.

Ads

- YALS ads are 63% behind budget
- E-News ads are 389% better than budget YALSA will put out an RFP for a new ad rep in May donations
- TRW donations are better than budget, but TTW ones are below budget
- FOY donations are behind budget 56%

FAC has launched a virtual fundraising effort around YALSA's birthday on 6/24

Expenses:

YALS Under budget by 18%; however, we're investigating why printing costs have doubled over last year

Board & Committees -- Under budget Cost savings were seen due to the fact that Exec Committee members shortened the length of their Fall Exec stay over last year.

Wages under budget due to vacancy in the Program Office for CE position from Nov. thru Jan.

Events close to budget. Expenses for the symposium ran 7% over budget

Book publishing Under budget, primarily due to delayed projects

Recruitment under budget by 32%

American Library Association
Statement of Revenue and Expenses – Round Tables

Schedule 9

	YTD Prior Year Actual	YTD Actual	YTD Budget	Variance	%	Annual Budget	Annual Projection	% Change from Budget
REVENUES								
(601) LIBRARY HISTORY RND TBL (LHRT)	6,787	6,293	3,981	2,312	58 %	5,311	5,311	0 %
(602) EXHIBITS ROUND TABLE (ERT)	6,759	6,141	7,131	-990	-14 %	9,515	9,515	0 %
(603) FAFLRT	7,271	3,711	6,216	-2,505	-40 %	8,285	8,285	0 %
(604) GOVT DOCUMNTS RND TBL (GODORT)	30,220	32,121	35,789	-3,668	-10 %	50,450	50,450	0 %
(605) INT FREEDOM ROUND TABLE (IFRT)	17,982	14,524	18,747	-4,224	-23 %	25,000	25,000	0 %
(606) INTL RELATIONS RND TBL (IRRT)	7,958	7,478	8,442	-964	-11 %	10,320	10,320	0 %
(607) NEW MEMBERS ROUND TABLE (NMRT)	13,005	12,797	14,856	-2,059	-14 %	19,840	19,840	0 %
(608) LIB RESEARCH RND TBL (LRRT)	6,298	6,286	23,184	-16,898	-73 %	30,913	30,913	0 %
(609) MAP/GEOGRAPHY RND TBL (MAGIRT)	9,238	7,708	9,093	-1,385	-15 %	12,125	12,125	0 %
(610) SOCIAL RSPNS ROUND TBL (SRRT)	7,591	6,664	8,496	-1,832	-22 %	11,340	11,340	0 %
(611) STAFF ORG ROUND TABLE (SORT)	519	402	2,826	-2,424	-86 %	3,765	3,765	0 %
(612) LIB INSTRUCTION RND TBL (LIRT)	17,251	17,341	36,492	-19,151	-52 %	48,650	48,650	0 %
(613) ETHNC MTL INF EXCH R/T(EMERT)	56,697	87,959	77,892	10,067	13 %	103,850	103,850	0 %
(614) CONT LIB ED NT/EX R/T(CLENERT)	6,255	5,579	19,392	-13,813	-71 %	25,850	25,850	0 %
(615) RETIRED MEMBERS RND TBL (RMRT)		2,339	2,505	-166	-7 %	3,340	3,340	0 %
(616) GGRT	734	2,066	900	1,166	130 %	1,200	1,200	0 %
(617) VIDEO ROUND TABLE (VRT)	5,041	2,656	4,634	-1,978	-43 %	6,500	6,500	0 %
(618) SUPPORT STAFF INTERESTS R/T	2,961	2,943	4,586	-1,643	-36 %	6,450	6,450	0 %
(619) GLBTRT	13,240	17,683	14,253	3,430	24 %	19,000	19,000	0 %
TOTAL REVENUES	215,806	242,691	299,415	-56,724	-19 %	401,704	401,704	0 %
EXPENSES								
(601) LIBRARY HISTORY RND TBL (LHRT)	2,491	949	3,981	3,032	76 %	5,311	5,311	0 %
(602) EXHIBITS ROUND TABLE (ERT)	2,789	4,768	4,850	82	2 %	6,082	6,082	0 %
(603) FAFLRT	7,235	8,876	376	-8,500	-2261 %	8,220	8,220	0 %
(604) GOVT DOCUMNTS RND TBL (GODORT)	19,944	24,679	27,661	2,982	11 %	48,600	48,600	0 %
(605) INT FREEDOM ROUND TABLE (IFRT)	3,094	15,934	18,711	2,777	15 %	24,953	24,953	0 %
(606) INTL RELATIONS RND TBL (IRRT)	6,403	1,540	7,036	5,496	78 %	10,120	10,120	0 %
(607) NEW MEMBERS ROUND TABLE (NMRT)	4,253	3,235	10,643	7,408	70 %	15,663	15,663	0 %
(608) LIB RESEARCH RND TBL (LRRT)	1,774	807	20,490	19,683	96 %	27,328	27,328	0 %
(609) MAP/GEOGRAPHY RND TBL (MAGIRT)	2,578	2,274	3,881	1,607	41 %	6,860	6,860	0 %
(610) SOCIAL RSPNS ROUND TBL (SRRT)	1,269	985	7,824	6,839	87 %	11,335	11,335	0 %

AMERICAN LIBRARY ASSOCIATION
Roundtable Statement of Revenues and Expenses
For the Month Period May 2013

	YTD Prior Year Actual	YTD Actual	YTD Budget	Variance	%	Annual Budget	Annual Projection	% Change from Budget
(611) STAFF ORG ROUND TABLE (SORT)	325	77	2,103	2,026	96 %	2,813	2,813	0 %
(612) LIB INSTRUCTION RND TBL (LIRT)	4,626	1,816	12,926	11,110	86 %	21,093	21,093	0 %
(613) ETHNC MTL INF EXCH R/T(EMIERT)	14,230	33,850	55,902	22,052	39 %	74,535	74,535	0 %
(614) CONT LIB ED NT/EX R/T(CLENERT)	2,466	2,647	18,252	15,605	86 %	24,340	24,340	0 %
(615) RETIRED MEMBERS RND TBL (RMRT)	0	285	756	471	62 %	1,000	1,000	0 %
(616) GGRT	580	281	720	439	61 %	1,120	1,120	0 %
(617) VIDEO ROUND TABLE (VRT)	620	2,625	3,489	864	25 %	6,400	6,400	0 %
(618) SUPPORT STAFF INTERESTS R/T	353	340	3,919	3,579	91 %	6,450	6,450	0 %
(619) GLBTRT	8,665	2,305	14,130	11,825	84 %	18,850	18,850	0 %
TOTAL EXPENSES	83,695	108,273	217,650	109,377	50 %	321,073	321,073	0 %
NET REVENUES								
(601) LIBRARY HISTORY RND TBL (LHRT)	4,297	5,344	0	5,344	100 %	0	0	0 %
(602) EXHIBITS ROUND TABLE (ERT)	3,970	1,373	2,281	-908	-40 %	3,433	3,433	0 %
(603) FAFLRT	36	-5,165	5,840	-11,005	-188 %	65	65	0 %
(604) GOVT DOCUMNTS RND TBL (GODORT)	10,276	7,442	8,128	-686	-8 %	1,850	1,850	0 %
(605) INT FREEDOM ROUND TABLE (IFRT)	14,887	-1,411	36	-1,447	-4018 %	47	47	0 %
(606) INTL RELATIONS RND TBL (IRRT)	1,555	5,938	1,406	4,532	322 %	200	200	0 %
(607) NEW MEMBERS ROUND TABLE (NMRT)	8,753	9,562	4,213	5,349	127 %	4,177	4,177	0 %
(608) LIB RESEARCH RND TBL (LRRT)	4,524.45	5,479.26	2,694.00	2,785	103 %	3,585.00	3,585.00	0 %
(609) MAP/GEOGRAPHY RND TBL (MAGIRT)	6,660.14	5,434.66	5,212.00	223	4 %	5,265.00	5,265.00	0 %
(610) SOCIAL RSPNS ROUND TBL (SRRT)	6,321.22	5,678.69	672.00	5,007	745 %	5.00	5.00	0 %
(611) STAFF ORG ROUND TABLE (SORT)	193.83	325.09	723.00	-398	-55 %	952.00	952.00	0 %
(612) LIB INSTRUCTION RND TBL (LIRT)	12,625.83	15,525.04	23,566.00	-8,041	-34 %	27,557.00	27,557.00	0 %
(613) ETHNC MTL INF EXCH R/T(EMIERT)	42,466.33	54,108.76	21,990.00	32,119	146 %	29,315.00	29,315.00	0 %
(614) CONT LIB ED NT/EX R/T(CLENERT)	3,789.29	2,932.10	1,140.00	1,792	157 %	1,510.00	1,510.00	0 %
(615) RETIRED MEMBERS RND TBL (RMRT)	.00	2,054.14	1,749.00	305	17 %	2,340.00	2,340.00	0 %
(616) GGRT	153.69	1,784.29	180.00	1,604	891 %	80.00	80.00	0 %
(617) VIDEO ROUND TABLE (VRT)	4,421.46	30.44	1,145.00	-1,115	-97 %	100.00	100.00	0 %
(618) SUPPORT STAFF INTERESTS R/T	2,607.19	2,602.99	667.00	1,936	290 %	.00	.00	0 %
(619) GLBTRT	4,574.74	15,378.71	123.00	15,256	12403 %	150.00	150.00	0 %
TOTAL NET REVENUES	132,111	134,418	81,765	52,653	64 %	80,631	80,631	0 %

American Library Association
Balance Sheet - Assets, Liabilities

Period Ending May 2013

Schedule 10

	YTD		YTD		
	Actual	Prior Year	Actual	Variance	%
			YTD	YTD	
ASSETS					
CURRENT ASSETS					
Cash	2,505,936	3,728,934		-1,222,998	-32.8 %
Short Term Investments	14,001,792	8,278,149		5,723,643	69.1 %
Accounts Receivable, Gross	3,188,055	3,083,929	104,127		3.4 %
Less: Reserves	-182,972	-194,936	11,964		6.1 %
Accounts Receivable, Net	3,005,083	2,888,992	116,091		4.0 %
Grants Receivable	1,545,680	792,549	753,131		95.0 %
Inventories, Gross	2,483,967	2,750,879	-266,912		-9.7 %
Less: Reserves	-543,968	-397,188	-146,781		-37.0 %
Inventories, Net	1,939,999	2,353,691	-413,692		-17.6 %
Prepaid Expenses & Other A/R	6,901,358	7,582,956	-681,598		-9.0 %
TOTAL CURRENT ASSETS	29,899,848	25,625,272	4,274,576		16.7 %
PROPERTY, PLANT & EQUIPMENT					
Furniture & Equipment	22,096,673	18,843,317	3,253,356		17.3 %
Buildings & Improvements	13,155,339	13,099,401	55,938		0.4 %
Land	3,146,743	3,146,743	0		0.0 %
Property, Plant & Equipment, Gross	38,398,755	35,089,461	3,309,294		9.4 %
Less: Accum Depreciation	-24,957,694	-21,652,574	-3,305,119		-15.3 %
Property, Plant & Equipment, Net	13,441,062	13,436,887	4,175		0.0 %
Investments	34,944,466	31,110,779	3,833,687		12.3 %
Due From (To) Other Funds	-1,373	-1,373	0		0.0 %
TOTAL ASSETS	78,284,003	70,171,565	8,112,438		11.6 %

AMERICAN LIBRARY ASSOCIATION

Financial Statement

Balance Sheet Accounts

Actual vs Prior Year

Period Ending May 2013

Page: 2

6/12/2013

3:18 PM

Schedule 10

	YTD Actual	YTD Prior Year Actual	Variance YTD	Variance %
LIABILITIES AND FUND BALANCES				
CURRENT LIABILITIES				
Current Portion, Long Term Debt	1,203,331	273,099	930,232	340.6 %
Accounts Payable	2,109,198	1,505,508	603,691	40.1 %
Accrued Operating Expenses	15,510	52,001	-36,490	-70.2 %
Accrued Income Taxes	0	15,482	-15,482	-100.0 %
Accrued Payroll Expenses	17,830,679	17,951,408	-120,729	-0.7 %
SUB-TOTAL /PAYABLES	21,158,718	19,797,497	1,361,222	6.9 %
DEFERRED REVENUES				
Membership Dues	4,608,530	4,620,428	-11,898	-0.3 %
Subscriptions	2,522,453	2,310,147	212,306	9.2 %
Meetings & Conferences	7,100,699	6,158,432	942,267	15.3 %
Grants & Awards	2,590,815	3,773,078	-1,182,263	-31.3 %
SUB-TOTAL/ DEFERRED REVENUES	16,822,498	16,862,085	-39,588	-0.2 %
TOTAL CURRENT LIABILITIES	37,981,216	36,659,582	1,321,634	3.6 %
DC Properties LT Bond	9,452,500	4,299,274	5,153,226	119.9 %
Fair Value of Interest Rate Swap				NaN
TOTAL LIABILITIES	47,433,716	40,958,857	6,474,859	15.8 %
FUND BALANCE	30,850,741	29,212,708	1,638,033	5.6 %
TOTAL LIABILITIES/ FUND BALANCE	78,284,457	70,171,565	8,112,892	11.6 %

American Library Association
Schedule 6 – Commentary: Balance Sheet - Total ALA
May FY 2013

ASSETS

At May 31, 2013, total assets of \$78,284,003 are \$8,112,438 more than the total at May 31, 2012. This is a result of increases in cash and short-term investments (A), net accounts receivable (B), long-term investments (D), and property, plant and equipment (E), offset by a decrease in inventories (C), and prepaid expenses and other assets (F).

A. Cash and Short-Term Investments: Cash and short-term investments of \$16,507,728 at May 31, 2013 are \$4,500,645 higher than at May 31, 2012.

	AVG. BALANCE	YTD INTEREST INCOME	YTD YIELD
FY 2012	\$10,911,691	\$477,996	2.76%
FY 2013	\$13,743,393	\$512,010	1.71%

See Schedule 2 explanation for additional investment information.

B. Net Accounts Receivable: Net accounts receivable of \$3,005,083 at May 31, 2013 are \$116,091 higher than the balance of \$2,888,992 at May 31, 2012. The increase is the result of a higher balance in PBD billings, mainly books and graphics related sales and higher iMIS billings and a lower reserve for bad debts (which increases net accounts receivable). At May 31, 2013, total trade receivables were \$2,025,497 as compared to \$1,722,218 in FY 2012. Reserves for bad debt decreased \$11,964.

C. Inventories: While net inventories decreased by \$413,692, the gross inventory balance decreased by \$266,912 to \$2,483,967 at May 31, 2013 from \$2,750,879 at May 31, 2012. The Neal Schuman acquisition has added \$751,269 to gross inventory. ALA Editions finished goods has a \$347,728 decrease and Graphics has a \$8,297 decrease. ALA Editions work-in-progress has an increase of \$96,919. On a net basis, the reserves have increased \$146,781 at May 31, 2013.

D. Endowment Investments: Long-term endowment investments of \$34,944,466 at May 31, 2013 are \$3,833,687 higher than at May 31, 2012, primarily as a result of market conditions.

E. Property, Plant and Equipment: Property, plant and equipment, net of depreciation of \$13,441,062 at May 31, 2013 is \$4,175 higher than at May 31, 2012 mainly as a result of additions to Publishing electronic products between 2013 and 2012, offset by the addition of accumulated depreciation.

F. Prepaid Expenses and Other Assets: The major items in this category at May 31, 2013 are Goodwill, \$2,326,567 and Intangible Assets (Net), \$3,412,804 related to the acquisition of Neal Schuman Publishers, Inc. in December 2011.

LIABILITIES

At May 31, 2013, total liabilities of \$47,433,716 are \$6,474,859 more than total liabilities at May 31, 2012 primarily due to decreases in (E) deferred revenues – grants, and (D) deferred revenues – membership dues, offset by increases in (B) deferred revenues – subscriptions, (C) accounts payable, (F) long-term debt and (A) deferred revenues meetings and conferences.

A. Deferred Revenues - Meetings and Conferences: At May 31, 2013, deferred revenues for meetings and conferences totaled \$7,100,699 as compared to \$6,158,432 at May 31, 2012. At May 31, 2013 deferred revenues consisted of Midwinter, \$359,014, Annual Conference, \$5,173,363, PLA, \$556,942, AASL, \$338,188, and ACRL, \$357,727. At May 31, 2012, PLA deposits are \$118,707, AASL deposits are \$159,519, ACRL deposits are \$644,561, Midwinter, \$534,050 and Annual Conference, \$4,342,273.

B. Deferred Revenues – Grants: Deferred revenues for Grants and Awards at May 31, 2013 are \$2,590,815 as compared to \$3,773,078 at May 31, 2012. In May 2013, the following grants had significant deferred revenues, Literacy Network Database, \$243,653, Finra Smart Investing, \$163,031, OSI Privacy, \$119,381, Dollar General, \$1,048,587, Verizon Literacy Gaming, \$29,499, Gates Advocacy/Tech Benchmarks, \$447,353, Carnegie I Love My Librarian, \$74,051, Library Champions, \$53,201, 21st Century Fund, \$160,676, Gates Technology Access Study, \$108,533, and the Scholarship Bash, \$428,552. In May 2012, major grants included Gates Technology Access Study, \$483,491, the Scholarship Bash, \$337,261, 21st Century Fund, \$115,519, Dollar General, \$1,556,991, OSI Privacy, \$197,364, Gates Advocacy/Tech Benchmarks, \$405,434, Finra Smart Investing, \$126,908 and Literacy Network Database, \$243,653.

C. Accounts Payable: At May 31, 2013, accounts payable totaled \$21,158,718 as compared to \$19,797,497 at May 31, 2012. The increase of \$1,361,222 reflects the addition of the current portion of long-term debt of \$1,203,331.

D. Deferred Revenues - Membership Dues: Deferred revenues for membership dues at May 31, 2013 are \$4,608,530 as compared to \$4,620,428 at May 31, 2012.

E. Deferred Revenues – Subscriptions: Deferred revenues for subscriptions at May 31, 2013 are \$2,522,453 as compared to \$2,310,147 at May 31, 2012. The increase of \$212,306 is mainly a decrease in American Libraries (\$2,577), Online Resources (\$14,668), Reviews on Cards (\$6,907), and CHOICE (\$16,715) offset by an increase in Booklist (\$65,991), and GR, RDS MKTG (\$218,695).

F. Long-Term Debt: At May 31, 2013, long-term debt totaled \$9,452,500 as compared to \$4,299,274 at May 31, 2012. The increase is a result of the refinancing of existing debt in July 2012 to facilitate the acquisition of Neal Schuman Publishers, Inc.

