

American Library Association

***Results of Operations
November FY 2014 – Executive Summary***

***2013-2014 EBD #14.4
2013-2014 BARC #5.1***

**November FY 2014
Executive Summary**

The November results represent three months of activity, which were electronically issued to unit managers on December 19, 2013. This commentary highlights actual revenue and expense results as compared to the approved budget including highlights of key financial indicators.

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 \$9,471,560 is \$1,668,917, 15% less than budget. The General Fund revenue of \$4,845,685 is \$732,320 less than budget due primarily to lower books, and dues revenue. Division revenues are \$206,579 less than budget and Grants and Awards are \$565,303 less than budget year-to-date. Investment interest and dividends are less than budget by \$158,702.*
- *Total ALA expenses of \$10,349,028 are 14%, \$1,677,328 less than budget. The General Fund expenses of \$5,805,690 are \$318,300, 5% less than budget. Divisions are \$610,412 less than budget. Grants and Awards are \$565,303 less than budget.*
- *Cash and short-term investments are \$17,341,158 as compared to \$16,020,044 last year. The Long-Term Investment Fund is \$37,071,600 as compared to the \$32,466,629 balance at November 2012.*

**November FY 2014
Executive Summary – continued**

- *Total assets are \$3,737,375, 5% more than November 2012 reaching \$78,036,467 due in part to the higher value of the Long-Term Investments and the greater cash on hand.*
- *Total liabilities are \$268,715, 6% more than November 2012, totaling \$45,511,227.*
- *Total ALA net assets are \$3,468,222, 12% more than November last year, totaling \$32,525,240.*

**American Library Association
Statement of Revenues and Expenses - Total ALA
For the Period Ending November 2013**

| | YTD | YTD | YTD | Variance | Variance | Annual Budget | Annual Projection | % Change From Projection |
|--|-------------------|-------------------|-------------------|-------------------|--------------|-------------------|-------------------|--------------------------|
| | Prior Year Actual | Actual | Budget | | % | | | |
| REVENUES | | | | | | | | |
| General Fund | | | | | | | | |
| Divisions | 4,854,435 | 4,845,685 | 5,578,005 | -732,320 | -13 % | 28,821,439 | | -100 % |
| Round Tables | 2,571,984 | 3,640,788 | 3,847,367 | -206,579 | -5 % | 15,501,021 | | -100 % |
| Plant Fund | 60,011 | 60,628 | 66,641 | -6,013 | -9 % | 395,020 | | -100 % |
| Grants and Awards (Restricted Fund) | 1,077,796 | 822,674 | 1,387,977 | 0 | 0 % | 0 | | 0 % |
| Longterm Investment Fund (Endowment Fund) | 194,018 | 101,786 | 260,487 | -158,702 | -61 % | 4,853,993 | | -100 % |
| Total Revenues | 8,750,244 | 9,471,966 | 11,140,877 | -1,668,911 | -15 % | 50,613,414 | 0 | -100 % |
| EXPENSES | | | | | | | | |
| General Fund | | | | | | | | |
| Divisions | 6,209,875 | 5,805,690 | 6,123,990 | 318,300 | 5 % | 28,821,439 | 0 | -100 % |
| Round Tables | 2,987,924 | 3,644,262 | 4,254,674 | 610,412 | 14 % | 16,003,532 | 0 | -100 % |
| Plant Fund | 25,203 | 19,714 | 46,041 | 26,327 | 57 % | 334,753 | 0 | -100 % |
| Grants and Awards (Restricted Fund) | 0 | 0 | 0 | 0 | -100 % | 0 | 0 | -100 % |
| Long Term Investment (Endowment Fund) | 1,077,796 | 822,674 | 1,387,977 | 565,303 | 41 % | 4,853,993 | 0 | -100 % |
| Total Expense | 10,301,628 | 10,349,828 | 12,036,386 | 1,677,328 | 14 % | 50,613,414 | 0 | -100 % |
| Excess of Revenues Over Expenses | -1,622,378 | -877,467 | -895,579 | 8,412 | 1 % | -290,535 | 0 | 100 % |
| 2010 Initiatives | | | | | | | | |
| Post-Retirement Benefits | 7,286 | | | 0 | 0 % | | | 0 % |
| Technology Reserve | | | | 0 | 0 % | | | 0 % |
| Impairment Good Will | 72,982 | 89,407 | 85,267 | -4,140 | -5 % | 341,068 | | -100 % |
| Net Realized/Unrealized Gains - Bond Fund | -6,528 | 86,770 | | 0 | 0 % | | | 0 % |
| Net Realized/Unrealized Gains - LT Investments | 140,444 | 2,533,769 | | 86,770 | 0 % | | | 0 % |
| Net Contributions/Withdrawals-LT Investments | 19,990 | 46,648 | -7,108 | 2,533,769 | 100 % | 99,387 | | 0 % |
| Net Revenues - Total ALA | -1,840,721 | 1,700,313 | -978,254 | 2,078,567 | 274 % | -524,848 | 0 | -100 % |

American Library Association
Statement of Revenues and Expenses - General Fund
For the Period Ending November 2013

| | YTD Prior Year Actual | YTD Actual | YTD Budget | Variance | Variance % | Annual Budget | Annual Projection | % Change Projection |
|--|--------------------------|------------------|------------------|-----------------|---------------|-------------------|-------------------|------------------------|
| REVENUES: | | | | | | | | |
| Publishing Services | 3,127,021 | 3,074,703 | 3,813,465 | -738,762 | -19 % | 13,732,093 | 0 | -100 % |
| Member Program & Services | 152,161 | 170,882 | 118,631 | 52,251 | 44 % | 6,222,614 | 0 | -100 % |
| Communications | 1,414,638 | 1,393,081 | 1,435,774 | -42,693 | -3 % | 5,787,531 | 0 | -100 % |
| Interest Income | 143,167 | 180,331 | 210,135 | -29,804 | -14 % | 840,539 | 0 | -100 % |
| Mail List Sales / Misc. | 17,248 | 11,672 | 0 | 11,672 | 100 % | 180,912 | 0 | -100 % |
| Executive Office | 0 | 15,015 | 0 | 15,015 | 100 % | 57,750 | 0 | -100 % |
| TOTAL REVENUES | 4,854,435 | 4,845,685 | 5,578,005 | -732,320 | -13 % | 28,821,439 | 0 | -100 % |
| EXPENSES: | | | | | | | | |
| Publishing Services | 1,228,512 | 2,939,509 | 3,330,179 | 390,670 | 12 % | 12,791,919 | 0 | -100 % |
| Member Program & Services | 1,338,150 | 1,298,233 | 1,402,547 | 104,314 | 7 % | 11,621,582 | 0 | -100 % |
| Communications | 757,537 | 870,406 | 796,147 | -74,259 | -9 % | 2,868,325 | 0 | -100 % |
| Executive Office | 1,110,517 | 1,109,401 | 1,091,424 | -17,977 | -2 % | 4,321,386 | 0 | -100 % |
| Finance, Accounting & Staff Support Serv | 428,929 | 486,642 | 452,691 | -33,691 | -7 % | 1,788,305 | 0 | -100 % |
| Overhead Recovered | -881,865 | -979,528 | -1,271,543 | -292,016 | -23 % | -6,136,743 | 0 | 100 % |
| Post. Retire | 0 | 0 | 0 | 0 | 0 % | 0 | 0 | 0 % |
| General Administration | 148,055 | 81,026 | 322,285 | 241,259 | 75 % | 1,565,665 | 0 | -100 % |
| TOTAL OPERATING EXPENSES | 6,209,875 | 5,805,690 | 6,123,990 | 318,390 | 5 % | 28,821,439 | 0 | -100 % |
| OPERATING NET REVENUES | -1,355,440 | -960,005 | -545,985 | -414,823 | -76 % | 0 | 0 | 100 % |
| NON-OPERATING ACTIVITIES | | | | | | | | |
| Post Retirement Benefits | 0 | 0 | 0 | 0 | 0 % | 0 | 0 | -100 % |
| Strategic Initiatives | 7,286 | 0 | 0 | 0 | 0 % | 0 | 0 | 0 % |
| Impairment Goodwill | 0 | 0 | 0 | 0 | 0 % | 0 | 0 | 0 % |
| Technology Reserve | 72,962 | 89,407 | 85,267 | -4,140 | -5 % | 341,068 | 0 | 0 % |
| Net Unrealized Gains/Losses | -6,528 | 86,770 | 0 | -86,770 | -100 % | 0 | 0 | -100 % |
| TOTAL NON-OPERATING ACTIVITIES | 86,776 | 2,637 | 89,267 | 82,630 | 97 % | 341,068 | 0 | -100 % |
| EXCESS REVENUES OVER EXPENSES | -1,442,216 | -962,643 | -631,252 | -331,591 | -52 % | -341,638 | 0 | 0 % |

AMERICAN LIBRARY ASSOCIATION
Publishing Supporting Statement of Revenues and Expenses
For the Period Ending November 2013

| | YTD | YTD | YTD | YTD | Variance | Variance | Variance | Annual Budget | Annual Projection | % Change |
|---------------------------|-------------------|------------------|------------------|-----------------|--------------|----------|-------------------|---------------|-------------------|----------|
| | Prior Year Actual | Actual | Budget | Budget | % | % | % | From Proj | | |
| REVENUES | | | | | | | | | | |
| ALA EDITIONS\TECHSRCE | 1,023,499 | 957,216 | 1,607,437 | 650,221 | -40 % | | 5,465,647 | | -100 % | |
| BOOKLIST | 1,432,058 | 1,432,121 | 1,492,664 | -60,543 | -4 % | | 5,131,276 | | -100 % | |
| AMERICAN LIBRARIES | 191,146 | 176,522 | 205,584 | -29,062 | -14 % | | 771,720 | | -100 % | |
| ALA DIGITAL REF | 158,186 | 237,724 | 156,228 | 81,496 | 52 % | | 1,177,182 | | -100 % | |
| ALA GRAPHICS | 322,131 | 271,120 | 351,552 | -80,432 | -23 % | | 1,186,268 | | -100 % | |
| TOTAL REVENUES | 3,127,021 | 3,074,703 | 3,813,465 | -738,762 | -19 % | | 13,732,093 | 0 | -100 % | |
| EXPENSES | | | | | | | | | | |
| PUBLISHING/AED | 0 | 0 | 38,645 | 38,645 | 100 % | | -72,597 | | -100 % | |
| ALA EDITIONS\TECHSRCE | 1,336,105 | 1,157,560 | 1,494,118 | 336,558 | 23 % | | 5,699,159 | | -100 % | |
| BOOKLIST | 997,681 | 969,846 | 1,009,308 | 39,462 | 4 % | | 3,896,089 | | -100 % | |
| AMERICAN LIBRARIES | 248,075 | 259,778 | 313,541 | 53,763 | 17 % | | 1,271,524 | | -100 % | |
| AMERICAN LIBRARIES | -56,929 | -83,256 | -107,957 | -24,701 | -23 % | | -499,804 | | 100 % | |
| ALA DIGITAL REF | 420,461 | 410,518 | 296,568 | -113,950 | -38 % | | 1,407,395 | | -100 % | |
| ALA GRAPHICS | 283,119 | 225,063 | 285,956 | 60,893 | 21 % | | 1,090,153 | | -100 % | |
| PRODUCTION SERVICE | 0 | 0 | 0 | 0 | 0 % | | 0 | | 0 % | |
| TOTAL EXPENSES | 3,228,512 | 2,939,509 | 3,330,179 | 390,670 | 12 % | | 12,791,919 | 0 | -100 % | |
| NET REVENUE | | | | | | | | | | |
| PUBLISHING/AED | 0 | 0 | -38,645 | 38,645 | 100 % | | 72,597 | | 100 % | |
| ALA EDITIONS\TECHSRCE | -312,606 | -200,344 | 113,319 | -313,663 | -277 % | | -233,512 | | 100 % | |
| BOOKLIST | 434,377 | 462,275 | 483,356 | -21,081 | -4 % | | 1,235,187 | | -100 % | |
| AMERICAN LIBRARIES | 0 | 0 | 0 | 0 | -100 % | | 0 | | 100 % | |
| ALA DIGITAL REF | -262,274 | -172,794 | -140,340 | -32,454 | -23 % | | -230,213 | | 100 % | |
| ALA GRAPHICS | 39,012 | 46,056 | 65,596 | -19,540 | -30 % | | 96,115 | | -100 % | |
| TOTAL NET REVENUES | -101,491 | 135,194 | 483,286 | -348,092 | -72 % | | 940,174 | 0 | -100 % | |

**November FY 2014
Executive Summary – continued**

OPERATING FUND

General Fund

Total revenues of \$4,845,685 are \$732,320, 13% less than budget. Revenues are slightly lower compared to the November 2012 balance of \$4,854,435.

Publishing revenues are less than the budget by \$738,762, due primarily to ALA Editions, Graphics and Booklist. Note: Publishing net revenue for November year-to-date is less than budget by \$348,092, reaching \$135,194.

Dues income is less than budget by \$53,009, totaling \$1,388,015, which is less than last year by \$26,324.

Interest Income is less than budget by \$29,804 reaching \$180,331.

Total expenses of \$5,805,690 are \$318,300 or 5% less than budget. Publishing is \$390,670 less than budget and overhead is \$292,016 under budget.

Currently, expenses exceed revenue by \$960,006, which is worse than the \$545,985 budget by \$414,021 or 76%.

**November FY 2014
Executive Summary – continued**

General Fund revenue categories compared to budget are as follows:

| | FY 2014 <u>November Actual</u> | FY 2014 <u>Approved YTD Budget</u> | <u>Variance</u> |
|------------------------|-----------------------------------|---------------------------------------|-----------------|
| <u>Revenue</u> | | | |
| Dues | 1,388,015 | 1,441,024 | (53,009) |
| Sales of Materials-Net | 1,228,620 | 1,823,771 | (595,151) |
| Other Sales | 44,262 | 144,379 | (100,117) |
| Subscriptions | 764,438 | 688,405 | 76,033 |
| Advertising | 957,719 | 969,559 | (11,840) |
| Meetings & Conf. | 27,270 | 2,100 | 25,170 |
| Misc. | <u>435,362</u> | <u>508,767</u> | <u>(73,405)</u> |
| Total Revenues | 4,845,685 | 5,578,005 | (732,320) |

Dues

Personal dues income is \$1,067,910, which is \$32,090 less than budget. Organizational dues are \$287,136, which is \$15,864 better than budget. Number of personal members are 54,592.

Sales of Materials-Net

Sales of books (net of returns) in ALA Editions is \$880,311, which is \$544,844 less than budget. Graphics sales are \$270,870, which is \$80,682 less than budget. Total sales of materials-net is (\$595,151) less than budget.

**November FY 2014
Executive Summary – continued**

Subscriptions
RDA subscriptions are \$221,071, which is \$79,315 more than budget. Booklist subscriptions are \$464,007, which is \$6,225 greater than budget. Total subscriptions are \$76,033 more than budget.

Miscellaneous
Miscellaneous income which includes donations, interest/dividends, and royalties is \$435,362, which is \$73,405 less than budget and includes a 5% draw from the Endowment, totaling \$112,110.

| | FY 2014 <u>November Actual</u> | FY 2014 <u>YTD Budget</u> | <u>Variance</u> |
|------------------------|-----------------------------------|------------------------------|------------------|
| <u>Expenses</u> | | | |
| Payroll & Related | 3,458,071 | 3,408,407 | (49,664) |
| Outside Services | 821,488 | 865,605 | 44,117 |
| Travel & Related | 150,176 | 126,843 | (23,333) |
| Meetings & Conferences | 48,469 | 160,738 | 112,270 |
| Publication Related | 578,917 | 722,277 | 143,360 |
| Operating Expenses | 1,164,704 | 1,407,265 | 242,561 |
| Total IUTs | <u>(201,664)</u> | <u>(356,570)</u> | <u>(154,906)</u> |
| Total Direct Expenses | 6,020,160 | 6,334,565 | 314,405 |

Payroll and Related
Salaries and wages are \$2,678,003, which is \$4,224 less than budget. Benefits are \$29,351 greater than budget year-to-date.

November FY 2014
Executive Summary – continued

Outside Services

Outside services are \$821,488, which is \$44,117 less than budget due to decreases in repairs and maintenance expenses. Bank fees are \$46,848 more than budget and audit fees are \$37,167 less than budget.

Publication Related

Publication related expenses are \$578,917, which is less than budget by \$143,360. The Publishing Department is less than budget of which Editions spent less on lower projected sales.

Operating Expenses

Operating expenses are \$1,164,704, which is \$242,561 less than budget. The major expense savings are:

Office supplies

Postage

Reduction in amortization expense due to write down of intangible assets

Depreciation expense

**November FY 2014
Executive Summary – continued**

| | <u>FY 2014 November Actual</u> | <u>FY 2014 YTD Budget</u> | <u>Variance</u> |
|---------------------------------|------------------------------------|-------------------------------|------------------|
| Contribution Margin | (1,174,475) | (756,561) | (417,914) |
| IUT-General Overhead | <u>(534,841)</u> | <u>(602,274)</u> | <u>(67,434)</u> |
| Total Expenses Excl. Alloc. | | | |
| IUT-Allocations | <u>409,778</u> | <u>476,966</u> | <u>67,188</u> |
| Total Expenses from Operations* | <u>5,895,097</u> | <u>6,209,257</u> | <u>314,160</u> |
| Net Rev/(Exp) After Taxes | <u>(1,049,413)</u> | <u>(631,252)</u> | <u>(418,161)</u> |

*Includes \$89,407 related to technology reserve expenses.

**November FY 2014
Executive Summary – continued**

MEMBER PROGRAMS AND SERVICES

The 1st Quarter of FY14 showed mixed results:

- A relatively aggressive target was set for the 2014 Midwinter Meeting, based on past history with the site (Philadelphia). At this point, Conference Services anticipates being off that target by \$100,000. At the same time, there are some positive signs. Notably, exhibit space sales are up 4% from 2013. At this point, much depends on on-site factors which cannot be fully predicted, e.g., potential weather impacts on busing costs, on-site AV experience.
- Registration for the 2014 Annual Conference will open January 13. Registration for both MW and AC starts from a lower number of “bundle” registrations, compared to 2013 conferences.
- Looking at Division national conferences, AASL had a strong Fall 2013 national conference, but it is too early to have final numbers. Registration was approximately \$80,000 over target, but exhibits and advertising revenues were approximately \$120,000 under target. Final numbers should be available by the end of the 2nd quarter. PLA’s national conference will be in March 2013. 2014 is a “spend-down” (non-conference) year for ACRL.
- Banned Books Week performed well this year, doing better than 2013.
- CHOICE has begun (January 2013) three aggressive marketing campaigns to drive new CRO subscriptions. A delayed launch put CRO3 behind budget.
- Registration fees (for continuing education) continue to be a bright spot, particularly for ALCTS and LLAMA. LITA and ASCLA have new courses coming. RUSA got off to a slow start, but has approved five new courses.
- *Every Child Ready to Read* (ALSC, PLA) continues to be a strong performer.
- Dues revenues during the first quarter were mixed, with some Divisions showing gains, and some small losses. United for Libraries is beginning to see the impact of the special subscription membership program.
- Seals and related permissions are doing well.

November FY 2014
Executive Summary – continued

PUBLISHING SERVICES

Total Revenues for the Department are \$738,762 less than budget. Total Expenses are \$390,670 less than budget. Net Revenues are \$348,092 less than budget. Net Revenues for ALA Editions are \$208,971 less than budget. Net Revenues for Neal-Schuman are \$96,347 less than budget. Net Revenues for Huron Street Press are on budget, but budget is a loss of \$25,833. Net Revenues for ALA TechSource are \$8,163 less than budget. Net Revenues for Booklist Publications are \$20,695 less than budget. The Subscription Equivalent for American Libraries is \$24,701 better than budget. Net Revenues for ALA Digital Reference, where RDA resides, are \$24,335 less than budget. RDA Net Revenues are \$63,966 more than budget; Guide to Reference is \$15,939 less than budget, and Production Services is \$33,089 behind schedule in its expense recovery. Net Revenues for ALA Graphics are \$19,540 less than budget.

Total Revenues for the consolidation of ALA Editions, ALA Neal-Schuman, ALA Digital Reference and ALA Graphics are \$649,157 less than budget. However, part of the shortfall results from titles that slid over into the second quarter. Net Revenues are \$357,236 less than budget primarily because of ALA Editions, which accounts for \$313,361 of the Net Revenue shortfall. The focus in FY14 is on adjusting the economic factors in ALA Editions to get it back in line with market realities (targeting selective markets, accelerating online options, reducing cost of sales ratios, Order Processing/Fulfillment costs, etc). Otherwise, potential shortfalls on the product side of the operation may still also be offset by potential upsides on the magazine side of the operation particularly in the prospects for advertising revenue.

The FY14 yearend budget for Department Net Revenues is \$493,359 more than FY13 Actual. However, the Net Revenue budget for Neal-Schuman is \$212,612 less than its FY13 actual performance, and the Net Revenue budget for Booklist is \$264,356 less than its FY13 actual performance. If these two imprints were to come in at their FY13 levels, it would represent an upside of \$476,968, which would “offset” potential shortfalls in other imprints by that amount. In addition there is potential upside in the Subscription Equivalent.

This also doesn't take into account the possibility that of other imprints might exceed their budget. As noted above, Net Revenues for RDA, for example, are currently \$63,966 or 62% more than budget. In short, first quarter results are not yet indicative with regard to the effect on year-end performance.

November FY 2014
Executive Summary – continued

COMMUNICATIONS AND MEMBER RELATIONS DEPARTMENT

- Membership dues revenue is about \$1.36 million or \$62,000 worse than budget. Based on FY13 experience, it is anticipated that dues revenue will continue to lag throughout FY14. The year-to-date shortfall is primarily driven by personal member dues. Members are taking longer to pay, responding to 3rd /4th dues notices rather than those sent earlier. At this early point, taking into account the FY14 dues adjustment (approximately \$80,000) it is expected that dues revenue will fall \$120,000 below the FY14 budget.
- Membership Development expenses through November 30, 2013 are \$6,000 more than budget. As noted above, sending a larger number of 3rd and 4th dues notices increases costs, which will be closely monitored. A new membership brochure listing the top twenty reasons for becoming a member will be available at Midwinter and a Facebook ad campaign will launch this spring.
- As of November 30, 2013 total ALA membership was 57,299. This is 105 fewer members than the October 2013 count and 552 fewer (-0.95%) than November 2013. In November 2013, three divisions and nine round tables had membership increases compared to November 2012.
- Net revenue for the PPO administrative project is about \$94,000 worse than budget due to the posting of expenses for the October Harwood workshop. Revenue for the workshop should post next month.

GRANTS AND AWARDS (RESTRICTED FUND)

Revenues and expenses of \$822,674 are \$565,303 less than the budget due to timing of several grants. Note: Grants and Awards generated 23% or \$255,122 less than the FY 2013 actual to date.

ASSETS

At November 30, 2013, total assets of \$78,036,468 are \$3,737,376 more than the total at November 30, 2012. This is a result of increases in cash and short-term investments, net accounts receivable inventory, long-term investments, offset by inventory, a decrease in grant receivables and write down of intangible assets and property, plant and equipment.

November FY 2014
Executive Summary – continued

LIABILITIES

At November 30, 2013, total liabilities of \$45,511,227 are \$268,715 more than total liabilities at November 30, 2012 primarily due to deferred revenues – grants, and deferred revenues offset by decreases in deferred revenues – subscriptions, and membership dues, increase in accounts payable, deferred revenue meetings– conference and grants and awards, long-term debt.

**November FY 2014
Executive Summary – continued**

SALARIES

General Fund salaries through November are \$2,687,003, which is \$4,224 less than budget. This is \$130,339 less than the total years 5% salary attrition budget of \$134,563. In addition, temporary help is over budget by \$17,940 and overtime is under budget by \$7,608 year-to-date. Salary savings including temporary help and overtime is \$6,108 less than budget.

| | | |
|---|------------------|----------------------|
| | FY 2014 | <u>November 2013</u> |
| Total General Fund Salaries | 2,687,003 | |
| November YTD Budget | <u>2,691,227</u> | |
| Salary Savings To Date | 4,224 | |
| Projected Salary Savings as of November : 5.0% Attrition (FY 2014) | 394,178 | |
| Salary Savings in Excess of Attrition | (389,954) | |
| Wages-Temporary Help | 26,455 | |
| Budget | <u>44,395</u> | |
| Actual | | |
| Variance (over) under Budget | (17,940) | |
| Overtime Wages | 13,991 | |
| Budget | <u>5,983</u> | |
| Actual | | |
| Variance (over) under Budget | 8,008 | |
| Salary Savings Obtained Including Wages & Overtime | (399,886) | ===== |

AMERICAN LIBRARY ASSOCIATION

Financial Statement

Balance Sheet Accounts

Actual vs Prior Year

Period Ending November 2013

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Schedule 10

| | YTD | YTD | | | |
|--|-------------|-------------|--------|--------------|------------|
| | Actual | Prior Year | Actual | Variance YTD | Variance % |
| ASSETS | | | | | |
| CURRENT ASSETS | | | | | |
| Cash | 4,136,032 | 2,418,836 | | 1,717,197 | 71.0 % |
| Short Term Investments | 13,205,126 | 13,601,208 | | -396,081 | -2.9 % |
| Accounts Receivable, Gross | 2,907,009 | 2,655,382 | | 251,628 | 9.5 % |
| Less: Reserves | -239,117 | -211,575 | | -27,543 | -13.0 % |
| Accounts Receivable, Net | 2,667,892 | 2,443,807 | | 224,085 | 9.2 % |
| Grants Receivable | 516,006 | 827,289 | | -311,284 | -37.6 % |
| Inventories, Gross | 2,520,918 | 2,276,854 | | 244,064 | 10.7 % |
| Less: Reserves | -620,552 | -517,180 | | -103,372 | -20.0 % |
| Inventories, Net | 1,900,366 | 1,759,674 | | 140,692 | 8.0 % |
| Prepaid Expenses & Other A/R | 5,566,164 | 7,047,338 | | -1,481,175 | -21.0 % |
| TOTAL CURRENT ASSETS | 27,991,586 | 28,098,152 | | -106,566 | -0.4 % |
| PROPERTY, PLANT & EQUIPMENT | | | | | |
| Furniture & Equipment | 22,193,133 | 21,083,492 | | 1,109,642 | 5.3 % |
| Buildings & Improvements | 13,261,267 | 13,155,339 | | 105,928 | 0.8 % |
| Land | 3,146,743 | 3,146,743 | | 0 | 0.0 % |
| Property, Plant & Equipment, Gross | 38,601,143 | 37,385,574 | | 1,215,569 | 3.3 % |
| Less: Accum Depreciation | -25,626,489 | -23,649,890 | | -1,976,598 | -8.4 % |
| Property, Plant & Equipment, Net | 12,974,655 | 13,735,684 | | -761,029 | -5.5 % |
| Investments | 37,071,600 | 32,466,629 | | 4,604,971 | 14.2 % |
| Due From (To) Other Funds | -1,373 | -1,373 | | 0 | 0.0 % |
| TOTAL ASSETS | 78,036,468 | 74,299,892 | | 3,737,376 | 5.0 % |

AMERICAN LIBRARY ASSOCIATION

Financial Statement

Balance Sheet Accounts

Actual vs Prior Year

Period Ending November 2013

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Schedule 10

| | YTD | YTD | Variance YTD | Variance % |
|--|-------------------|-------------------|------------------|---------------|
| | Actual | Prior Year Actual | | |
| LIABILITIES AND FUND BALANCES | | | | |
| CURRENT LIABILITIES | | | | |
| Current Portion, Long Term Debt | 1,414,049 | 1,310,914 | 103,135 | 7.9 % |
| Accounts Payable | 2,070,927 | 1,823,677 | 247,250 | 13.6 % |
| Accrued Operating Expenses | 92,495 | 43,027 | 49,469 | 115.0 % |
| Accrued Income Taxes | 10,702 | 5,054 | 5,648 | 111.8 % |
| Accrued Payroll Expenses | 17,787,166 | 17,888,475 | -101,309 | -0.6 % |
| SUB-TOTAL / PAYABLES | 21,375,340 | 21,071,147 | 304,193 | 1.4 % |
| DEFERRED REVENUES | | | | |
| Membership Dues | 3,492,580 | 4,024,542 | -531,962 | -13.2 % |
| Subscriptions | 2,391,076 | 2,435,468 | -44,392 | -1.8 % |
| Meetings & Conferences | 5,220,418 | 4,922,319 | 298,099 | 6.1 % |
| Grants & Awards | 4,084,724 | 3,336,536 | 748,188 | 22.4 % |
| SUB-TOTAL / DEFERRED REVENUES | 15,188,797 | 14,718,865 | 469,931 | 3.2 % |
| TOTAL CURRENT LIABILITIES | 36,564,137 | 35,790,013 | 774,125 | 2.2 % |
| DC Properties LT Bond | 8,947,090 | 9,452,500 | -505,410 | -5.3 % |
| Fair Value of Interest Rate Swap | | | | NaN |
| TOTAL LIABILITIES | 45,511,227 | 45,242,513 | 268,715 | 0.6 % |
| FUND BALANCE | 32,525,255 | 29,057,034 | 3,468,222 | 11.9 % |
| TOTAL LIABILITIES/ FUND BALANCE | 78,036,483 | 74,299,546 | 3,736,937 | 5.0 % |

ALA American Library Association

Results of Operations
November - FY 2014 Financials

2013-14 EBD #14.4
2013-14 BARC #5.1

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November FY 2014 Executive Summary

The November results represent three months of activity, which were electronically issued to unit managers on December 19, 2013. This commentary highlights actual revenue and expense results as compared to the approved budget including highlights of key financial indicators.

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 Contoller, 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 \$9,471,560 is \$1,668,917, 15% less than budget. The General Fund revenue of \$4,845,685 is \$732,320 less than budget due primarily to lower books, and dues revenue. Division revenues are \$206,579 less than budget and Grants and Awards are \$565,303 less than budget year-to-date. Investment interest and dividends are less than budget by \$158,702.*
- *Total ALA expenses of \$10,349,028 are 14%, \$1,677,328 less than budget. The General Fund expenses of \$5,805,690 are \$318,300, 5% less than budget. Divisions are \$610,412 less than budget. Grants and Awards are \$565,303 less than budget.*
- *Cash and short-term investments are \$17,341,158 as compared to \$16,020,044 last year. The Long-Term Investment Fund is \$37,071,600 as compared to the \$32,466,629 balance at November 2012.*

**November FY 2014
Executive Summary – continued**

- *Total assets are \$3,737,375, 5% more than November 2012 reaching \$78,036,467 due in part to the higher value of the Long-Term Investments and the greater cash on hand.*
- *Total liabilities are \$268,715, 6% more than November 2012, totaling \$45,511,227.*
- *Total ALA net assets are \$3,468,222, 12% more than November last year, totaling \$32,525,240.*

November FY 2014
Executive Summary – continued

OPERATING FUND

General Fund

Total revenues of \$4,845,685 are \$732,320, 13% less than budget. Revenues are slightly lower compared to the November 2012 balance of \$4,854,435.

Publishing revenues are less than the budget by \$738,762, due primarily to ALA Editions, Graphics and Booklist. Note: Publishing net revenue for November year-to-date is less than budget by \$348,092, reaching \$135,194.

Dues income is less than budget by \$53,009, totaling \$1,388,015, which is less than last year by \$26,324.

Interest income is less than budget by \$29,804 reaching \$180,331.

Total expenses of \$5,805,690 are \$318,300 or 5% less than budget. Publishing is \$390,670 less than budget and overhead is \$292,016 under budget.

Currently, expenses exceed revenue by \$960,006, which is worse than the \$545,985 budget by \$414,021 or 76%.

**November FY 2014
Executive Summary – continued**

General Fund revenue categories compared to budget are as follows:

| | FY 2014 <u>November Actual</u> | FY 2014 <u>Approved YTD Budget</u> | <u>Variance</u> |
|------------------------|-----------------------------------|---------------------------------------|-----------------|
| <u>Revenue</u> | | | |
| Dues | 1,388,015 | 1,441,024 | (53,009) |
| Sales of Materials-Net | 1,228,620 | 1,823,771 | (595,151) |
| Other Sales | 44,262 | 144,379 | (100,117) |
| Subscriptions | 764,438 | 688,405 | 76,033 |
| Advertising | 957,719 | 969,559 | (11,840) |
| Meetings & Conf. | 27,270 | 2,100 | 25,170 |
| Misc. | <u>435,362</u> | <u>508,767</u> | <u>(73,405)</u> |
| Total Revenues | 4,845,685 | 5,578,005 | (732,320) |

Dues

Personal dues income is \$1,067,910, which is \$32,090 less than budget. Organizational dues are \$287,136, which is \$15,864 better than budget. Number of personal members are 54,592.

Sales of Materials-Net

Sales of books (net of returns) in ALA Editions is \$880,311, which is \$544,844 less than budget. Graphics sales are \$270,870, which is \$80,682 less than budget. Total sales of materials-net is (\$595,151) less than budget.

**November FY 2014
Executive Summary – continued**

Subscriptions

RDA subscriptions are \$221,071, which is \$79,315 more than budget. Booklist subscriptions are \$464,007, which is \$6,225 greater than budget. Total subscriptions are \$76,033 more than budget.

Miscellaneous

Miscellaneous income which includes donations, interest/dividends, and royalties is \$435,362, which is \$73,405 less than budget and includes a 5% draw from the Endowment, totaling \$112,110.

| | <u>FY 2014 November Actual</u> | <u>FY 2014 YTD Budget</u> | <u>Variance</u> |
|------------------------|------------------------------------|-------------------------------|------------------|
| <u>Expenses</u> | | | |
| Payroll & Related | 3,458,071 | 3,408,407 | (49,664) |
| Outside Services | 821,488 | 865,605 | 44,117 |
| Travel & Related | 150,176 | 126,843 | (23,333) |
| Meetings & Conferences | 48,469 | 160,738 | 112,270 |
| Publication Related | 578,917 | 722,277 | 143,360 |
| Operating Expenses | 1,164,704 | 1,407,265 | 242,561 |
| Total IUTs | <u>(201,664)</u> | <u>(356,570)</u> | <u>(154,906)</u> |
| Total Direct Expenses | 6,020,160 | 6,334,565 | 314,405 |

Payroll and Related

Salaries and wages are \$2,678,003, which is \$4,224 less than budget. Benefits are \$29,351 greater than budget year-to-date.

November FY 2014
Executive Summary – continued

Outside Services

Outside services are \$821,488, which is \$44,117 less than budget due to decreases in repairs and maintenance expenses. Bank fees are \$46,848 more than budget and audit fees are \$37,167 less than budget.

Publication Related

Publication related expenses are \$578,917, which is less than budget by \$143,360. The Publishing Department is less than budget of which Editions spent less on lower projected sales.

Operating Expenses

Operating expenses are \$1,164,704, which is \$242,561 less than budget. The major expense savings are:

Office supplies

Postage

Reduction in amortization expense due to write down of intangible assets

Depreciation expense

**November FY 2014
Executive Summary – continued**

| | <u>FY 2014 November Actual</u> | <u>FY 2014 YTD Budget</u> | <u>Variance</u> |
|---------------------------------|------------------------------------|-------------------------------|------------------|
| Contribution Margin | (1,174,475) | (756,561) | (417,914) |
| IUT-General Overhead | <u>(534,841)</u> | <u>(602,274)</u> | <u>(67,434)</u> |
| Total Expenses Excl. Alloc. | | | |
| IUT-Allocations | <u>409,778</u> | <u>476,966</u> | <u>67,188</u> |
| Total Expenses from Operations* | <u>5,895,097</u> | <u>6,209,257</u> | <u>314,160</u> |
| Net Rev/(Exp) After Taxes | <u>(1,049,413)</u> | <u>(631,252)</u> | <u>(418,161)</u> |

*Includes \$89,407 related to technology reserve expenses.

November FY 2014
Executive Summary – continued

MEMBER PROGRAMS AND SERVICES

The 1st Quarter of FY14 showed mixed results:

- A relatively aggressive target was set for the 2014 Midwinter Meeting, based on past history with the site (Philadelphia). At this point, Conference Services anticipates being off that target by \$100,000. At the same time, there are some positive signs. Notably, exhibit space sales are up 4% from 2013. At this point, much depends on on-site factors which cannot be fully predicted, e.g., potential weather impacts on busing costs, on-site AV experience.
- Registration for the 2014 Annual Conference will open January 13. Registration for both MW and AC starts from a lower number of “bundle” registrations, compared to 2013 conferences.
- Looking at Division national conferences, AASL had a strong Fall 2013 national conference, but it is too early to have final numbers. Registration was approximately \$80,000 over target, but exhibits and advertising revenues were approximately \$120,000 under target. Final numbers should be available by the end of the 2nd quarter. PLA’s national conference will be in March 2013. 2014 is a “spend-down” (non-conference) year for ACRL.
- Banned Books Week performed well this year, doing better than 2013.
- CHOICE has begun (January 2013) three aggressive marketing campaigns to drive new CRO subscriptions. A delayed launch put CRO3 behind budget.
- Registration fees (for continuing education) continue to be a bright spot, particularly for ALCTS and LLAMA. LITA and ASCLA have new courses coming. RUSA got off to a slow start, but has approved five new courses.
- *Every Child Ready to Read* (ALSC, PLA) continues to be a strong performer.
- Dues revenues during the first quarter were mixed, with some Divisions showing gains, and some small losses. United for Libraries is beginning to see the impact of the special subscription membership program.
- Seals and related permissions are doing well.

November FY 2014
Executive Summary – continued

PUBLISHING SERVICES

Total Revenues for the Department are \$738,762 less than budget. Total Expenses are \$390,670 less than budget. Net Revenues are \$348,092 less than budget. Net Revenues for ALA Editions are \$208,971 less than budget. Net Revenues for Neal-Schuman are \$96,347 less than budget. Net Revenues for Huron Street Press are on budget, but budget is a loss of \$25,833. Net Revenues for ALA TechSource are \$8,163 less than budget. Net Revenues for Booklist Publications are \$20,695 less than budget. The Subscription Equivalent for American Libraries is \$24,701 better than budget. Net Revenues for ALA Digital Reference, where RDA resides, are \$24,335 less than budget. RDA Net Revenues are \$63,966 more than budget; Guide to Reference is \$15,939 less than budget, and Production Services is \$33,089 behind schedule in its expense recovery. Net Revenues for ALA Graphics are \$19,540 less than budget.

Total Revenues for the consolidation of ALA Editions, ALA Neal-Schuman, ALA Digital Reference and ALA Graphics are \$649,157 less than budget. However, part of the shortfall results from titles that slid over into the second quarter. Net Revenues are \$357,236 less than budget primarily because of ALA Editions, which accounts for \$313,361 of the Net Revenue shortfall. The focus in FY14 is on adjusting the economic factors in ALA Editions to get it back in line with market realities (targeting selective markets, accelerating online options, reducing cost of sales ratios, Order Processing/Fulfillment costs, etc). Otherwise, potential shortfalls on the product side of the operation may still also be offset by potential upsides on the magazine side of the operation particularly in the prospects for advertising revenue.

The FY14 yearend budget for Department Net Revenues is \$493,359 more than FY13 Actual. However, the Net Revenue budget for Neal-Schuman is \$212,612 less than its FY13 actual performance, and the Net Revenue budget for Booklist is \$264,356 less than its FY13 actual performance. If these two imprints were to come in at their FY13 levels, it would represent an upside of \$476,968, which would “offset” potential shortfalls in other imprints by that amount. In addition there is potential upside in the Subscription Equivalent.

This also doesn't take into account the possibility that of other imprints might exceed their budget. As noted above, Net Revenues for RDA, for example, are currently \$63,966 or 62% more than budget. In short, first quarter results are not yet indicative with regard to the effect on year-end performance.

November FY 2014

Executive Summary – continued

COMMUNICATIONS AND MEMBER RELATIONS DEPARTMENT

- Membership dues revenue is about \$1.36 million or \$62,000 worse than budget. Based on FY13 experience, it is anticipated that dues revenue will continue to lag throughout FY14. The year-to-date shortfall is primarily driven by personal member dues. Members are taking longer to pay, responding to 3rd /4th dues notices rather than those sent earlier. At this early point, taking into account the FY14 dues adjustment (approximately \$80,000) it is expected that dues revenue will fall \$120,000 below the FY14 budget.
- Membership Development expenses through November 30, 2013 are \$6,000 more than budget. As noted above, sending a larger number of 3rd and 4th dues notices increases costs, which will be closely monitored. A new membership brochure listing the top twenty reasons for becoming a member will be available at Midwinter and a Facebook ad campaign will launch this spring.
- As of November 30, 2013 total ALA membership was 57,299. This is 105 fewer members than the October 2013 count and 552 fewer (-0.95%) than November 2013. In November 2013, three divisions and nine round tables had membership increases compared to November 2012.
- Net revenue for the PPO administrative project is about \$94,000 worse than budget due to the posting of expenses for the October Harwood workshop. Revenue for the workshop should post next month.

GRANTS AND AWARDS (RESTRICTED FUND)

Revenues and expenses of \$822,674 are \$565,303 less than the budget due to timing of several grants. Note: Grants and Awards generated 23% or \$255,122 less than the FY 2013 actual to date.

ASSETS

At November 30, 2013, total assets of \$78,036,468 are \$3,737,376 more than the total at November 30, 2012. This is a result of increases in cash and short-term investments, net accounts receivable inventory, long-term investments, offset by inventory, a decrease in grant receivables and write down of intangible assets and property, plant and equipment.

November FY 2014
Executive Summary – continued

LIABILITIES

At November 30, 2013, total liabilities of \$45,511,227 are \$268,715 more than total liabilities at November 30, 2012 primarily due to deferred revenues – grants, and deferred revenues offset by decreases in deferred revenues – subscriptions, and membership dues, increase in accounts payable, deferred revenue meetings– conference and grants and awards, long-term debt.

**November FY 2014
Executive Summary – continued**

SALARIES

General Fund salaries through November are \$2,687,003, which is \$4,224 less than budget. This is \$130,339 less than the total years 5% salary attrition budget of \$134,563. In addition, temporary help is over budget by \$17,940 and overtime is under budget by \$7,608 year-to-date. Salary savings including temporary help and overtime is \$6,108 less than budget.

| | FY 2014 <u>November 2013</u> |
|--|---------------------------------|
| Total General Fund Salaries | 2,687,003 |
| November YTD Budget | <u>2,691,227</u> |
| Salary Savings To Date | 4,224 |
| Projected Salary Savings as of November : | |
| 5.0% Attrition (FY 2014) | 394,178 |
| Salary Savings in Excess of Attrition | (389,954) |
| Wages-Temporary Help | |
| Budget | 26,455 |
| Actual | <u>44,395</u> |
| Variance (over) under Budget | (17,940) |
| Overtime Wages | |
| Budget | 13,991 |
| Actual | <u>5,983</u> |
| Variance (over) under Budget | 8,008 |
| Salary Savings Obtained Including Wages & Overtime | (399,886) ===== |

American Library Association
Statement of Revenues and Expenses - Total ALA
For the Period Ending November 2013

| | YTD | YTD | YTD | YTD | Variance | Variance | Annual Budget | Annual Projection | % Change From Projection |
|--|-------------------|-------------------|-------------------|--------|-------------------|--------------|-------------------|-------------------|--------------------------|
| | Prior Year Actual | Actual | Budget | Budget | % | % | | | |
| REVENUES | | | | | | | | | |
| General Fund | 4,854,435 | 4,845,685 | 5,578,005 | | -732,320 | -13 % | 28,821,439 | | -100 % |
| Divisions | 2,571,984 | 3,640,788 | 3,847,367 | | -206,579 | -5 % | 15,501,021 | | -100 % |
| Round Tables | 60,011 | 60,628 | 66,641 | | -6,013 | -9 % | 395,020 | | -100 % |
| Plant Fund | | | | | 0 | 0 % | | | 0 % |
| Grants and Awards (Restricted Fund) | 1,077,796 | 822,674 | 1,387,977 | | -565,303 | -41 % | 4,853,993 | | -100 % |
| Longterm Investment Fund (Endowment Fund) | 194,018 | 101,786 | 260,487 | | -158,702 | -61 % | 1,041,941 | | -100 % |
| Total Revenues | 8,758,244 | 9,471,560 | 11,140,477 | | -1,668,917 | -15 % | 50,613,414 | 0 | -100 % |
| EXPENSES | | | | | | | | | |
| General Fund | 6,209,875 | 5,805,690 | 6,123,990 | | 318,300 | 5 % | 28,821,439 | 0 | -100 % |
| Divisions | 2,987,924 | 3,644,262 | 4,254,674 | | 610,412 | 14 % | 16,003,532 | 0 | -100 % |
| Round Tables | 25,203 | 19,714 | 46,041 | | 26,327 | 57 % | 334,753 | | -100 % |
| Plant Fund | 0 | 0 | 0 | | 0 | -100 % | 0 | | -100 % |
| Grants and Awards (Restricted Fund) | 1,077,796 | 822,674 | 1,387,977 | | 565,303 | 41 % | 4,853,993 | | -100 % |
| Long Term Investment (Endowment Fund) | 80,825 | 56,687 | 213,674 | | 156,987 | 73 % | 890,232 | | -100 % |
| Total Expense | 10,381,623 | 10,349,028 | 12,026,356 | | 1,677,328 | 14 % | 50,903,949 | 0 | -100 % |
| Excess of Revenues Over Expenses | -1,623,378 | -877,467 | -885,879 | | 8,412 | 1 % | -290,535 | 0 | 100 % |
| 2010 Initiatives | 7,286 | | | | 0 | 0 % | | | 0 % |
| Post-Retirement Benefits | | | | | 0 | 0 % | | | 0 % |
| Technology Reserve | 72,962 | 89,407 | 85,267 | | -4,140 | -5 % | 341,068 | | -100 % |
| Impairment Good Will | | | | | 0 | 0 % | | | 0 % |
| Net Realized/Unrealized Gains - Bond Fund | -6,528 | 86,770 | | | 86,770 | 0 % | | | 0 % |
| Net Realized/Unrealized Gains - LT Investments | 140,444 | 2,533,769 | | | 2,533,769 | 100 % | 99,387 | | 0 % |
| Net Contributions/Withdrawals-LT Investments | 19,990 | 46,648 | -7,108 | | 53,756 | 756 % | 7,570 | 0 | -100 % |
| Net Revenues - Total ALA | -1,549,721 | 1,700,313 | -978,254 | | 2,678,567 | 274 % | -524,646 | 0 | -100 % |

American Library Association
Statement of Revenues and Expenses - General Fund
For the Period Ending November 2013

| | YTD Prior Year Actual | YTD Actual | YTD Budget | Variance | Variance % | Annual Budget | Annual Projection | % Change Projection |
|---|--------------------------|------------------|------------------|-----------------|---------------|-------------------|-------------------|------------------------|
| REVENUES: | | | | | | | | |
| Publishing Services | 3,127,021 | 3,074,703 | 3,813,465 | -738,762 | -19 % | 13,732,093 | 0 | -100 % |
| Member Program & Services | 152,161 | 170,882 | 118,631 | 52,251 | 44 % | 8,222,614 | 0 | -100 % |
| Communications | 1,414,838 | 1,393,081 | 1,435,774 | -42,693 | -3 % | 5,787,531 | 0 | -100 % |
| Interest Income | 143,167 | 180,331 | 210,135 | -29,804 | -14 % | 840,539 | 0 | -100 % |
| Mail List Sales / Misc. | 17,248 | 11,672 | 0 | 11,672 | 100 % | 180,912 | 0 | -100 % |
| Executive Office | 0 | 15,015 | 0 | 15,015 | 100 % | 57,750 | 0 | -100 % |
| TOTAL REVENUES | 4,854,435 | 4,845,685 | 5,578,005 | -732,320 | -13 % | 28,821,439 | 0 | -100 % |
| EXPENSES: | | | | | | | | |
| Publishing Services | 3,228,512 | 2,939,509 | 3,330,179 | 390,670 | 12 % | 12,791,919 | 0 | -100 % |
| Member Program & Services | 1,338,150 | 1,298,233 | 1,402,547 | 104,314 | 7 % | 11,621,582 | 0 | -100 % |
| Communications | 757,537 | 870,406 | 796,147 | -74,259 | -9 % | 2,868,325 | 0 | -100 % |
| Executive Office | 1,110,517 | 1,109,401 | 1,091,424 | -17,977 | -2 % | 4,321,386 | 0 | -100 % |
| Finance, Accounting & Staff Support Servi | 428,929 | 486,642 | 452,951 | -33,691 | -7 % | 1,788,305 | 0 | -100 % |
| Overhead Recovered | -801,866 | -979,528 | -1,271,543 | -292,016 | -23 % | -6,136,743 | 0 | 100 % |
| Post Retire | 0 | 0 | 0 | 0 | 0 % | 0 | 0 | 0 % |
| General Administration | 148,096 | 81,026 | 322,285 | 241,259 | 75 % | 1,566,665 | 0 | -100 % |
| TOTAL OPERATING EXPENSES | 6,209,875 | 5,805,690 | 6,123,990 | 318,300 | 5 % | 28,821,439 | 0 | -100 % |
| OPERATING NET REVENUES | -1,355,440 | -960,006 | -545,985 | -414,021 | -76 % | 0 | 0 | 100 % |
| NON-OPERATING ACTIVITIES | | | | | | | | |
| Post Retirement Benefits | 0 | 0 | 0 | 0 | 0 % | 0 | 0 | -100 % |
| Strategic Initiatives | 7,286 | 0 | 0 | 0 | 0 % | 0 | 0 | 0 % |
| Impairment Goodwill | 0 | 0 | 0 | 0 | 0 % | 0 | 0 | 0 % |
| Technology Reserve | 72,962 | 89,407 | 85,267 | -4,140 | -5 % | 341,068 | 0 | 0 % |
| Net Unrealized Gains/Losses | -6,528 | 86,770 | 0 | -86,770 | -100 % | 0 | 0 | -100 % |
| TOTAL NON-OPERATING ACTIVITIES | 86,776 | 2,637 | 85,267 | 82,630 | 97 % | 341,068 | 0 | -100 % |
| EXCESS REVENUES OVER EXPENSES | -1,442,216 | -962,643 | -631,252 | -331,391 | -52 % | -341,068 | 0 | 0 % |

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

Schedule 6

| UNIT | YTD Prior Year Actual | YTD Actual | YTD Budget | Variance | % | Annual Budget | Annual Projection | % Change From Proj |
|---------------------------------------|-----------------------------|---------------|---------------|----------|-------|---------------|----------------------|-----------------------|
| REVENUES | | | | | | | | |
| (102) EXECUTIVE BOARD | | 15,000 | | 15,000 | 100 % | 57,750 | | -100 % |
| (150) WASHINGTON OFFICE | 0 | 15 | | 15 | 100 % | | | -100 % |
| (151) OFFICE OF INFORMATION TECHNOLOG | 0 | 0 | | 0 | 0 % | | | 0 % |
| TOTAL REVENUES | 0 | 15,015 | 0 | 15,015 | 100 % | 57,750 | 0 | -100 % |
| EXPENSES | | | | | | | | |
| (101) STANDING COMMITTEES | 25,727 | 17,308 | 11,510 | -5,798 | -50 % | 58,225 | | -100 % |
| (102) EXECUTIVE BOARD | 53,130 | 72,578 | 102,548 | 29,970 | 29 % | 389,655 | | -100 % |
| (103) EXECUTIVE OFFICE | 222,852 | 244,362 | 225,405 | -18,957 | -8 % | 801,480 | | -100 % |
| (114) DEVELOPMENT OFFICE | 76,996 | 71,098 | 83,071 | 11,973 | 14 % | 332,280 | | -100 % |
| (150) WASHINGTON OFFICE | 268,106 | 252,604 | 237,133 | -15,471 | -7 % | 943,310 | | -100 % |
| (151) OFFICE OF INFORMATION TECHNOLOG | 132,359 | 160,095 | 127,684 | -32,411 | -25 % | 527,324 | | -100 % |
| (152) OGR | 177,038 | 153,526 | 152,035 | -1,491 | -1 % | 643,294 | | -100 % |
| (230) ALA AWARDS | 170 | 322 | 322 | 322 | 100 % | 7,344 | | 0 % |
| (506) HUMAN RESOURCES | 154,141 | 137,830 | 151,716 | 13,886 | 9 % | 618,474 | | -100 % |
| TOTAL EXPENSES | 1,110,517 | 1,109,401 | 1,091,424 | -17,977 | -2 % | 4,321,386 | 0 | -100 % |
| NET REVENUES | | | | | | | | |
| (101) STANDING COMMITTEES | -25,727 | -17,308 | -11,510 | -5,798 | -50 % | -58,225 | | 100 % |
| (102) EXECUTIVE BOARD | -53,130 | -57,578 | -102,548 | 44,970 | 44 % | -331,905 | | 100 % |
| (103) EXECUTIVE OFFICE | -222,852 | -244,362 | -225,405 | -18,957 | -8 % | -801,480 | | 100 % |
| (114) DEVELOPMENT OFFICE | -76,996 | -71,098 | -83,071 | 11,973 | 14 % | -332,280 | | 100 % |
| (150) WASHINGTON OFFICE | -268,106 | -252,589 | -237,133 | -15,456 | -7 % | -943,310 | | 100 % |
| (151) OFFICE OF INFORMATION TECHNOLOG | -132,359 | -160,095 | -127,684 | -32,411 | -25 % | -527,324 | | 100 % |
| (152) OGR | -177,038 | -153,526 | -152,035 | -1,491 | -1 % | -643,294 | | 100 % |
| (230) ALA AWARDS | -170 | -322 | -322 | 322 | 100 % | -7,344 | | 0 % |
| (506) HUMAN RESOURCES | -154,141 | -137,830 | -151,716 | 13,886 | 9 % | -618,474 | | 100 % |
| TOTAL NET REVENUE | -1,110,517 | -1,094,385 | -1,091,424 | -2,961 | 0 % | -4,263,636 | 0 | 100 % |

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

Schedule 7

| UNIT | YTD Prior Year Actual | YTD Actual | YTD Budget | Variance | % | Annual Budget | Annual Projection | % Change From Proj |
|--------------------------------|-----------------------------|---------------|---------------|---------------|-------------|------------------|----------------------|-----------------------|
| EXPENSES | | | | | | | | |
| STAFF SUPPORT SERV/OFFICE SERV | 48,090 | 50,921 | 48,556 | 2,365 | 5 % | 194,226 | | 0 % |
| DISTRIBUTION CENTER | 61,566 | 66,593 | 64,319 | 2,274 | 4 % | 257,285 | | -100 % |
| DISTRIBUTION CENTER | -21,261 | -22,944 | -27,500 | 4,556 | 17 % | -110,000 | | -100 % |
| REPROGRAPHICS CENTER | 43,823 | 13,156 | 13,156 | 13,156 | 100 % | | | 100 % |
| REPROGRAPHICS CENTER | -36,721 | -27,367 | | -27,367 | -100 % | | | -100 % |
| TOTAL EXPENSES | 95,498 | 80,359 | 85,375 | -5,016 | -6 % | 341,511 | 0 | 100 % |

American Library Association
Schedule 2A – Commentary: Statement of Revenues and Expenses – General Fund
November FY 2014

INTEREST
INCOME

Year-to-date interest on short-term investments is \$89,715 compared to \$87,111 in November 2012. The actual average invested balance for the three months ending November 30, 2013 was \$12,934,032 with a yield of 2.25%. In comparison, at November 30, 2012 the actual average invested balance was \$12,543,735 with a yield of 2.52%. As of November 30, 2013 the net realized/unrealized gain <loss> on the investment managed by Neuberger Berman was a net gain of \$86,770, as compared to the \$6,528 cumulative loss. The net year-to-date gain is comprised of (\$30,284) of realized losses and \$117,054 of unrealized gains. According to the Association's investment policy, any realized and unrealized gains and losses at year-end becomes a component of the appropriated fund balance and as such is carried forward in the fund balance to subsequent fiscal years.

| INVESTMENT TYPE | YTD AVERAGE VALUE | NOV 13 MARKET VALUE | % TO INVESTMENT | % TO TOTAL CASH/INVT | YIELD | INTEREST INCOME (MONTH) | INTEREST INCOME (YTD) | COMPOSITE |
|-----------------------------|-------------------|---------------------|-----------------|----------------------|-------|-------------------------|-----------------------|-----------|
| Money Market Funds | 746,429 | 642,676 | 5% | 4% | 0.05% | 23 | 65 | 0.00% |
| Government Securities | 8,032,555 | 8,313,614 | 63% | 48% | 2.02% | 20,437 | 53,478 | 1.28% |
| Corporate Bonds | 4,000,956 | 3,946,232 | 30% | 23% | 3.06% | 7,468 | 36,047 | 0.92% |
| Mutual Funds/UIT | 154,091 | 261,794 | 2% | 2% | 2.78% | 22 | 124 | 0.06% |
| Subtotal-Bond Fund | 12,934,031 | 13,164,316 | 100% | 77% | | 27,950 | 89,714 | 2.25% |
| EMA (Institutional Fund) | 8,754 | 8,754 | | 0% | 0.00% | 0 | 1 | |
| Cash in Bank | 3,405,210 | 3,946,330 | | 23% | 0.00% | | | |
| Other-Industrial Securities | 31,905 | 31,905 | | 0% | 0.00% | | | |
| Endowment Transfer | | | | | | 37,367 | 112,100 | |
| Total Cash And Investments | 16,379,900 | 17,151,306 | | 100% | | 65,317 | 201,815 | |

On an overall basis, the bond portfolio yield is 2.25%. The Gates Foundation requires that interest earned on unspent funds are credited to the grant balances.

OVERHEAD

At November 30, 2013, total overhead recovery (excluding the Plant Fund transfer) of \$1,285,965, is \$239,167 less than the budget of \$1,525,131. The overhead recovery is more than budget in American Libraries, RUSA, ALSC, ALCTS 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 November 2013 approximately \$6,959 or 17% of the FY14 Council administrative budget of \$40,912 has been spent. No unusual expenses are anticipated for this budget.

Executive Board Administration [11-102-0000]: The report ending November 2013 reflects expenditures of approximately \$14,626 or 60% of a total budget of \$24,465. This is unusually high for this time period so some investigative work will have to be done to determine the source of these expenses.

Fall Board Meeting [11-102-0118]: Recorded expenses for the Fall Executive Board meeting, held in Chicago on October 25-27, total \$22,967. This is approximately 96% of the total budget of \$23,978.

President: [11-102-0100] (Support): Approximately \$50,063 remains from a total budget of \$61,475. This includes anticipated and unposted expenditures.

0103 Budget (Initiatives): During her presidency thus far, Barbara Stripling has spent or earmarked approximately \$12,293 of her Presidential Initiatives budget of \$85,000, leaving a remaining budget of \$72,706.

President-Elect: [11-102-0101] (Support): \$44,581 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 Courtney Young has spent approximately \$3,416 of her \$15,570 advisory committee budget.

Planning & Evaluation [11-102-0104]: This budget line shows that \$16,960, or approximately 94%, of the total budget of \$18,000 remains as of November 30, 2013.

Executive Office [11-103-0000]: \$196,803 or approximately 29% of the FY14 Executive Office administrative budget of \$691,630 has been spent to date.

Election Processing [11-103-9000]: \$47,559 or approximately 43% of the Election Processing budget of \$109,850 has been spent to date.

WASHINGTON
OFFICE

Washington Office Administration is \$29,839 over budget for the month of November and is 6.52% over budget for year to date expenses. This overage is associated with both salaries/benefits accruals, as well as with requested adjustments from the previous two months of financial reports, and the processing of some October payments during the month of November. Major repairs and replacement of parts to the heating unit of the Washington Office was an unexpected expense totaling over \$9,000. Other expenses have been as expected.

OGR is \$2,738 over budget for the month of November and is 0.98% over budget for the year to date. This overage is associated with payment of professional expenses incurred from previous fiscal year. Other expenses have been as projected or lower.

OITP is \$6,919 over budget for the month of November and is 25.38% over budget on year to date expenditures. This overage is associated with salaries/benefits accruals and the payment of a professional expense from the previous fiscal year. Other expenses have been lower than projected.

AMERICAN LIBRARY ASSOCIATION
Communications Supporting Statement of Revenues and Expenses
For the Period Ending November 2013

| UNIT | YTD Prior Year Actual | YTD Actual | YTD Budget | Variance | % | Annual Budget | Annual Projection | % Change From Proj |
|--------------------------------------|-----------------------------|---------------|---------------|----------|--------|------------------|----------------------|-----------------------|
| REVENUES | | | | | | | | |
| (100) COMMUNICATIONS, AED | 6,716 | 1,559 | 9,000 | -7,441 | -83 % | 36,000 | | -100 % |
| (104) LIBRARY | 250 | | | 0 | 0 % | | | 0 % |
| (109) ORS | | 30 | | 30 | 100 % | 1,800 | | -100 % |
| (111) INTERNATIONAL RELATIONS OFFICE | 2,842 | | | 0 | 0 % | | | 0 % |
| (113) PIO | | | 750 | -750 | -100 % | 3,000 | | 0 % |
| (115) PUBLIC PROGRAMS | 0 | 27,000 | | 27,000 | 100 % | | | -100 % |
| (120) OFFICE FOR LIBRARY ADVOCACY | -180 | | | 0 | 0 % | | | 0 % |
| (250) MEMBERSHIP SERVICES | 7,311 | | | 0 | 0 % | | | 0 % |
| (251) CHAP.RELATIONS/MEMB.DEVELOPMNT | 0 | 150 | | 150 | 100 % | 3,750 | | -100 % |
| (591) MEMBERSHIP DEVELOPMENT | 1,397,899 | 1,364,343 | 1,426,024 | -61,681 | -4 % | 5,742,981 | | -100 % |
| TOTAL REVENUES | 1,414,838 | 1,393,081 | 1,435,774 | -42,693 | -3 % | 5,787,531 | 0 | -100 % |
| EXPENSES | | | | | | | | |
| (100) COMMUNICATIONS, AED | 160,404 | 148,174 | 149,815 | 1,641 | 1 % | 581,294 | | -100 % |
| (104) LIBRARY | 126,364 | 136,393 | 149,447 | 13,054 | 9 % | 384,595 | | -100 % |
| (109) ORS | 37,163 | 50,698 | 49,953 | -745 | -1 % | 199,796 | | -100 % |
| (111) INTERNATIONAL RELATIONS OFFICE | 62,359 | 61,041 | 54,941 | -6,100 | -11 % | 211,571 | | -100 % |
| (113) PIO | 114,648 | 94,514 | 121,655 | 27,141 | 22 % | 486,613 | | -100 % |
| (115) PUBLIC PROGRAMS | 41,790 | 159,396 | 38,867 | -120,529 | -310 % | 155,469 | | -100 % |
| (120) OFFICE FOR LIBRARY ADVOCACY | 45,562 | 47,448 | 57,968 | 10,520 | 18 % | 231,878 | | -100 % |
| (250) MEMBERSHIP SERVICES | 144,320 | 128,422 | 126,313 | -2,109 | -2 % | 462,354 | | -100 % |
| (251) CHAP.RELATIONS/MEMB.DEVELOPMNT | 24,927 | 44,319 | 47,188 | 2,869 | 6 % | 154,755 | | -100 % |
| TOTAL EXPENDITURES | 757,537 | 870,406 | 796,147 | -74,259 | -9 % | 2,868,325 | 0 | -100 % |
| NET REVENUES | | | | | | | | |
| (100) COMMUNICATIONS, AED | -153,688 | -146,615 | -140,815 | -5,800 | -4 % | -545,294 | | 100 % |
| (104) LIBRARY | -126,114 | -136,393 | -149,447 | 13,054 | 9 % | -384,595 | | 100 % |
| (109) ORS | -37,163 | -50,668 | -49,953 | -715 | -1 % | -197,996 | | 100 % |
| (111) INTERNATIONAL RELATIONS OFFICE | -59,517 | -61,041 | -54,941 | -6,100 | -11 % | -211,571 | | 100 % |
| (113) PIO | -114,648 | -94,514 | -120,905 | 26,391 | 22 % | -483,613 | | 100 % |
| (115) PUBLIC PROGRAMS | -41,790 | -132,396 | -38,867 | -93,529 | -241 % | -155,469 | | 100 % |
| (120) OFFICE FOR LIBRARY ADVOCACY | -45,742 | -47,448 | -57,968 | 10,520 | 18 % | -231,878 | | 100 % |
| (250) MEMBERSHIP SERVICES | -137,009 | -128,422 | -126,313 | -2,109 | -2 % | -462,354 | | 100 % |
| (251) CHAP.RELATIONS/MEMB.DEVELOPMNT | -24,927 | -44,169 | -47,188 | 3,019 | 6 % | -151,005 | | 100 % |
| (591) MEMBERSHIP DEVELOPMENT | 1,397,899 | 1,364,343 | 1,426,024 | -61,681 | -4 % | 5,742,981 | | -100 % |
| TOTAL NET REVENUES | 657,302 | 522,675 | 639,627 | -116,952 | -18 % | 2,919,206 | 0 | -100 % |

American Library Association
Schedule 2B – Commentary: Statement of Revenues and Expenses – Communications & Member Relations
November FY 2014

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

Membership dues revenue is about \$1.36 million or \$53,000 worse than budget. Based on FY13 experience, it is anticipated that dues revenue will continue to lag throughout FY14. The year-to-date shortfall is driven by personal member dues. Members are taking longer to pay, responding to 3rd /4th dues notices rather than those sent earlier. At this early point, taking into account the FY14 dues adjustment (approximately \$80,000) it is expected that dues revenue will fall \$120,000 below the FY14 budget. Membership Development expenses through November 30, 2013 are \$6,000 more than budget. Some of this is due to timing. A Facebook ad campaign will launch in December. As noted above, sending a larger number of 3rd and 4th dues notices increases costs, which will be closely monitored. As of November 30, 2013 total ALA membership was 57,299. This is 105 fewer members than the October 2013 count and 552 fewer (-0.95%) than November 2013. In November 2013, three divisions and nine round tables had membership increases compared to November 2012.

Office for Library Advocacy (OLA)

Net revenue is about \$10,000 better than budget due to timing, primarily in the use of professional services.

Chapter Relations Office (CRO)

Net revenue is about \$3,000 better than budget. The half-year payment for Capwiz was processed in October.

International Relations Office (IRO)

Net revenue is about \$6,000 less than budget due to salary expenses and expenses to represent ALA at the 50th anniversary of the Korean Library Association. 115 individuals received \$100 each to support their travel to the Guadalajara Book Fair. One attendee wrote the following to Michael Dowling to express his appreciation for this support: "The experience was unforgettable and being exposed to the literary culture of Mexico, Spanish distributors, Spanish publishers from around the world, and authors was very valuable to my work as a librarian serving Spanish speaking populations in the U.S. I also wanted to compliment you on a terrific job with the program. From the written guides, to the orientation, to the hotel, everything was great and well-coordinated. Again, many thanks y gracias to everyone involved in the ALA/FIL Free Pass Program."

Library

Net revenue is about \$13,000 better than budget due to timing. The bill for archiving services at the University of Illinois at Urbana Champaign was posted in October.

Member and Customer Services (MACS)

Net revenue is about \$2,000 less than budget due to salary expenses. Subscription and registration processing is running slight ahead of budget.

Office for Research and Statistics (ORS)
Net revenue is almost exactly on budget.

Public Information Office (PIO) and the Campaign for America's Libraries
Net revenue is about \$26,000 better than budget due to timing for professional services. Expenses for the Campaign for America's Libraries are on budget.

Public Programs Office
Net revenue for the PPO administrative project is about \$94,000 worst than budget due to the posting of expenses for the October Harwood workshop. Revenue for the workshop should post next month. The Cultural Communities Fund has a net asset balance of \$1.66 million.

AMERICAN LIBRARY ASSOCIATION
Publishing Supporting Statement of Revenues and Expenses
For the Period Ending November 2013

| | YTD Prior Year Actual | YTD Actual | YTD Budget | YTD Budget | Variance | Variance % | Annual Budget | Annual Projection | % Change From Proj |
|---------------------------|--------------------------|------------------|------------------|------------------|-----------------|---------------|-------------------|-------------------|-----------------------|
| REVENUES | | | | | | | | | |
| ALA EDITIONS\TECHSRCE | 1,023,499 | 957,216 | 1,607,437 | 1,607,437 | -650,221 | -40 % | 5,465,647 | | -100 % |
| BOOKLIST | 1,432,058 | 1,432,121 | 1,492,664 | 1,492,664 | -60,543 | -4 % | 5,131,276 | | -100 % |
| AMERICAN LIBRARIES | 191,146 | 176,522 | 205,584 | 205,584 | -29,062 | -14 % | 771,720 | | -100 % |
| ALA DIGITAL REF | 158,186 | 237,724 | 156,228 | 156,228 | 81,496 | 52 % | 1,177,182 | | -100 % |
| ALA GRAPHICS | 322,131 | 271,120 | 351,552 | 351,552 | -80,432 | -23 % | 1,186,268 | | -100 % |
| TOTAL REVENUES | 3,127,021 | 3,074,703 | 3,813,465 | 3,813,465 | -738,762 | -19 % | 13,732,093 | 0 | -100 % |
| EXPENSES | | | | | | | | | |
| PUBLISHING/AED | 0 | 0 | 38,645 | 38,645 | 38,645 | 100 % | -72,597 | | -100 % |
| ALA EDITIONS\TECHSRCE | 1,336,105 | 1,157,560 | 1,494,118 | 1,494,118 | 336,558 | 23 % | 5,699,159 | | -100 % |
| BOOKLIST | 997,681 | 969,846 | 1,009,308 | 1,009,308 | 39,462 | 4 % | 3,896,089 | | -100 % |
| AMERICAN LIBRARIES | 248,075 | 259,778 | 313,541 | 313,541 | 53,763 | 17 % | 1,271,524 | | -100 % |
| AMERICAN LIBRARIES | -56,929 | -83,256 | -107,957 | -107,957 | -24,701 | -23 % | -499,804 | | 100 % |
| ALA DIGITAL REF | 420,461 | 410,518 | 296,568 | 296,568 | -113,950 | -38 % | 1,407,395 | | -100 % |
| ALA GRAPHICS | 283,119 | 225,063 | 285,956 | 285,956 | 60,893 | 21 % | 1,090,153 | | -100 % |
| PRODUCTION SERVICE | 0 | 0 | 0 | 0 | 0 | 0 % | | | 0 % |
| TOTAL EXPENSES | 3,228,512 | 2,939,509 | 3,330,179 | 3,330,179 | 390,670 | 12 % | 12,791,919 | 0 | -100 % |
| NET REVENUE | | | | | | | | | |
| PUBLISHING/AED | 0 | 0 | -38,645 | -38,645 | 38,645 | 100 % | 72,597 | | 100 % |
| ALA EDITIONS\TECHSRCE | -312,606 | -200,344 | 113,319 | 113,319 | -313,663 | -277 % | -233,512 | | 100 % |
| BOOKLIST | 434,377 | 462,275 | 483,356 | 483,356 | -21,081 | -4 % | 1,235,187 | | -100 % |
| AMERICAN LIBRARIES | 0 | 0 | 0 | 0 | 0 | -100 % | 0 | | 100 % |
| ALA DIGITAL REF | -262,274 | -172,794 | -140,340 | -140,340 | -32,454 | -23 % | -230,213 | | 100 % |
| ALA GRAPHICS | 39,012 | 46,056 | 65,596 | 65,596 | -19,540 | -30 % | 96,115 | | -100 % |
| TOTAL NET REVENUES | -101,491 | 135,194 | 483,286 | 483,286 | -348,092 | -72 % | 940,174 | 0 | -100 % |

American Library Association
Schedule 3 - Commentary: Statement of Revenues and Expenses – Publishing
November FY 2014

Department Summary Total Revenues for the Department are \$738,762 less than budget. Total Expenses are \$390,670 less than budget. Net Revenues are \$348,092 less than budget. Net Revenues for ALA Editions are \$208,971 less than budget. Net Revenues for Neal-Schuman are \$96,347 less than budget. Net Revenues for Huron Street Press are on budget, but budget is a loss of \$25,833. Net Revenues for ALA TechSource are \$8,163 less than budget. Net Revenues for Booklist Publications are \$20,695 less than budget. The Subscription Equivalent for American Libraries is \$24,701 better than budget. Net Revenues for ALA Digital Reference, where RDA resides, are \$24,335 less than budget. RDA Net Revenues are \$63,966 more than budget; Guide to Reference is \$15,939 less than budget, and Production Services is \$33,089 behind schedule in its expense recovery. Net Revenues for ALA Graphics are \$19,540 less than budget.

Total Revenues for the consolidation of ALA Editions, ALA Neal-Schuman, ALA Digital Reference and ALA Graphics are \$649,157 less than budget. However, part of the shortfall results from titles that slid over into the second quarter. Net Revenues are \$357,236 less than budget primarily because of ALA Editions, which accounts for \$313,361 of the Net Revenue shortfall. The focus in FY14 is on adjusting the economic factors in ALA Editions to get it back in line with market realities (targeting selective markets, accelerating online options, reducing cost of sales ratios, Order Processing/Fulfillment costs, etc). Otherwise, potential shortfalls on the product side of the operation may still also be offset by potential upsides on the magazine side of the operation particularly in the prospects for advertising revenue.

The FY14 yearend budget for Department Net Revenues is \$493,359 more than FY13 Actual. However, the Net Revenue budget for Neal-Schuman is \$212,612 less than its FY13 actual performance, and the Net Revenue budget for Booklist is \$264,356 less than its FY13 actual performance. If these two imprints were to come in at their FY13 levels, it would represent an upside of \$476,968, which would "offset" potential shortfalls in other imprints by that amount. In addition there is potential upside in the Subscription Equivalent.

This also doesn't take into account the possibility that of other imprints might exceed their budget. As noted above, Net Revenues for RDA, for example, are currently \$63,966 or 62% more than budget. In short, first quarter results are not yet indicative with regard to the effect on yearend performance.

ALA Editions

The "ALA Editions Unit" represents the consolidation of ALA Editions, ALA Digital Reference and ALA Graphics – the product side of the operation. The consolidation is a result of distressed factors in the library market that are not expected to improve beyond the current state. Staffing has been re-aligned to support this consolidation in FY14, but only after the budget was set. Commentary in FY14 will reflect the consolidation.

Revenues are off target in Editions mainly because of the frontlist. Several titles budgeted for the first quarter came out later than planned at the time the budget was established, which creates a variance to budget at the time but may allow recovery later upon publication. Returns are also unusually high in the first quarter as a result of the performance in FY13.

Payroll is \$24,560 less than budget and will continue to be so. Inventory Adjustment is \$51,000 behind schedule, which reduces net revenues by that amount. Net Revenues are \$208,971 less than budget. The first quarter wound up absorbing some of the aftermath of the performance at the end of FY13 and should now stabilize.

Total Revenues for Neal-Schuman are \$298,317 less than budget in part because of the returns from Chandos, which did not renew its contract for distribution, but also because of a shortfall in textbook sales at the end of FY13, which also consequently led to an increase in returns in the first quarter of FY14. A few titles also slipped into the second quarter. Because of the mix of titles, Cost of Sales came in at 14.9% of Sales/Net versus a budget of 10.7%, which reduces Net Revenues by about \$15,000. This should correct over time. Operating Expenses are \$44,415 less than budget largely because the charges for the cost of the acquisition were reduced. Net Revenues are \$96,347 less than budget.

Total Revenues for Huron Street Press are \$17,036 less than budget mainly because of delayed titles. Publication Related expenses are consequently less than budget. The variance is only \$4,556 less than budget because of some discrepancies in the entries for Cost of Sales. Net Revenues are on budget, but as mentioned above, the budget is a loss of \$25,953.

Total Revenues for ALA TechSource are only \$3,139 or 1.5% less than budget. Total Expenses are \$5,024 more than budget mainly because royalty expense is more than budget due to timing factors.

Total Revenues for Guide to Reference are \$2,347 more than budget. Expenses are \$18,286 more than budget mainly because \$14,716 in RDA payroll-related expenses was charged to Guide to Reference. Net Revenues are \$15,939 less than budget primarily because of this payroll discrepancy. Total Revenues for RDA are \$79,149 more than budget. Total Expenses are \$15,183 more than budget mainly because General Overhead Expense is \$19,154 more than budget. Net Revenues are 63,996 more than budget but would adjust to \$49,280 after the adjustment for the misallocation.

The budget for Production Services is now in the AED unit but expenses have been charged to the project it used to be a part of. This unit charges its expenses back to other Publishing and ALA units on a cost recovery basis. Expense recovery is \$72,362, which is \$33,089 behind schedule because of timing factors.

Total Revenues for ALA Graphics are \$80,432 less than budget. Total Expenses are \$60,893 less than budget. Net Revenues are \$19,540 less than budget. However, both Cost of Sales and Order Processing/Fulfillment are unexpectedly more than budget and under review. Payroll Related Expenses are \$32,121 less than budget because of staff reductions and General Overhead is 19,463 less than budget due to the shortfall in Total Revenue. Net Revenues are \$19,540 less than budget. Expense savings should continue to offset potential revenue shortfalls.

Booklist

Total Revenues for Booklist Publications are \$60,543 less than budget, mainly because royalties (licensing revenue), are \$69,949 less than budget due to timing factors. Gross advertising revenue is \$7,394 more than budget. Advertising for electronic products, especially Booklist Delivers e-blasts is ahead of budget while print advertising is behind budget. Subscription revenues are \$6,225 more than budget, largely because the per-subscription rate is greater than planned.

Direct Expenses (before overhead) are \$25,197 less than budget. Overhead expense is \$14,651 less than budget. Net Revenues are \$20,695 less than budget – largely due to timing differences on licensing revenue.

American Libraries

Total revenues are \$176,522, which is \$29,062 less than budget. This is due to lower-than-expected display ads sales for both September/October and November/December issues of *American Libraries*, as well as lower-than average royalties from our Buyer's Guide. Most online ad categories are strong and have exceeded budgets, but not enough to offset the display ad loss. Display ad sales for the January issue exceeded budget, and other ad categories are on track. Total expenses are \$46,730 less than budget due to timing of printer's bills and travel expenses. The Subscription Equivalent is \$40,538, which is \$17,668 or 30% better than budget primarily due to unbilled IUTs and the off-timing expenses.

AMERICAN LIBRARY ASSOCIATION
Member Programs & Services Statement of Revenues and Expenses
For the Period Ending November 2013

Schedule 4

| | YTD Prior Year Actual | YTD Actual | YTD Budget | Variance | Variance % | Annual Budget | Annual Projection | % Change from Projection |
|---------------------------------------|--------------------------|-------------------|-------------------|----------------|---------------|-------------------|----------------------|--------------------------------|
| REVENUES | | | | | | | | |
| ANNUAL CONFERENCE | 11,139 | 29,115 | | 29,115 | 100 % | 5,055,111 | | -100 % |
| MIDWINTER CONFERENCE | 1,865 | 0 | | 0 | 0 % | 2,804,025 | | 0 % |
| OFFICE FOR HUMAN RESOURCE DEVELOPMENT | 0 | 40 | 252 | -212 | -84 % | 41,500 | | -100 % |
| OFF/LIB OUTREACH SERVICES (OLOS) | 372 | 14,462 | | 14,462 | 100 % | | | -100 % |
| OFF/INTELLECTUAL FREEDOM (OIF) | 80,912 | 69,849 | 59,549 | 10,300 | 17 % | 241,006 | | -100 % |
| OFFICE FOR ACCREDITATION (OA) | 57,873 | 57,296 | 55,372 | 1,924 | 3 % | 64,372 | | -100 % |
| DIVERSITY | | 120 | 3,458 | -3,338 | -97 % | 16,600 | | -100 % |
| TOTAL REVENUES | 152,161 | 170,882 | 118,631 | 52,251 | 44 % | 8,222,614 | 0 | -100 % |
| EXPENSES | | | | | | | | |
| ANNUAL CONFERENCE | 117,523 | 159,905 | 140,744 | -19,161 | -14 % | 4,660,340 | | -100 % |
| MIDWINTER CONFERENCE | 164,586 | 165,725 | 207,827 | 42,102 | 20 % | 2,614,591 | | -100 % |
| INFO & TELECOMM. SYSTEMS | 579,867 | 535,529 | 610,491 | 74,962 | 12 % | 2,441,964 | | -100 % |
| OFFICE FOR HUMAN RESOURCE DEVELOPMENT | 68,244 | 94,895 | 82,555 | -12,340 | -15 % | 383,979 | | -100 % |
| OFF/LIB OUTREACH SERVICES (OLOS) | 25,536 | 30,454 | | -30,454 | -100 % | | | -100 % |
| OFF/INTELLECTUAL FREEDOM (OIF) | 167,819 | 138,107 | 145,376 | 7,269 | 5 % | 640,133 | | -100 % |
| OFFICE FOR ACCREDITATION (OA) | 64,539 | 63,829 | 59,514 | -4,315 | -7 % | 243,428 | | -100 % |
| DIVERSITY | 36,883 | 52,621 | 107,242 | 54,621 | 51 % | 441,426 | | -100 % |
| MEMBER/PROGRAM & SERVICES/AED | 113,152 | 57,167 | 48,798 | -8,369 | -17 % | 195,721 | | -100 % |
| TOTAL EXPENSES | 1,338,150 | 1,298,233 | 1,402,547 | 104,314 | 7 % | 11,621,582 | 0 | -100 % |
| NET REVENUES | | | | | | | | |
| ANNUAL CONFERENCE | -106,384 | -130,790 | -140,744 | 9,954 | 7 % | 394,771 | | 100 % |
| MIDWINTER CONFERENCE | -162,721 | -165,725 | -207,827 | 42,102 | 20 % | 189,434 | | 100 % |
| INFO & TELECOMM. SYSTEMS | -579,867 | -535,529 | -610,491 | 74,962 | 12 % | -2,441,964 | | 100 % |
| OFFICE FOR HUMAN RESOURCE DEVELOPMENT | -68,244 | -94,855 | -82,303 | -12,552 | -15 % | -342,479 | | 100 % |
| OFF/LIB OUTREACH SERVICES (OLOS) | -25,164 | -15,992 | | -15,992 | -100 % | | | 100 % |
| OFF/INTELLECTUAL FREEDOM (OIF) | -86,907 | -68,258 | -85,827 | 17,569 | 20 % | -399,127 | | 100 % |
| OFFICE FOR ACCREDITATION (OA) | -6,666 | -6,534 | -4,142 | -2,392 | -58 % | -179,056 | | 100 % |
| DIVERSITY | -36,883 | -52,501 | -103,784 | 51,283 | 49 % | -424,826 | | 100 % |
| MEMBER/PROGRAM & SERVICES/AED | -113,152 | -57,167 | -48,798 | -8,369 | -17 % | -195,721 | | 100 % |
| TOTAL NET REVENUES | -1,185,989 | -1,127,351 | -1,283,916 | 156,565 | 12 % | -3,398,968 | 0 | 100 % |

American Library Association
Schedule 4 – Statement of Revenues and Expenses – Member Programs & Services
November FY 2014

The 1st Quarter of FY14 showed mixed results:

- A relatively aggressive target was set for the 2014 Midwinter Meeting, based on past history with the site (Philadelphia). At this point, Conference Services anticipates being off that target by \$100,000. At the same time, there are some positive signs. Notably, exhibit space sales are up 4% from 2013. At this point, much depends on on-site factors which cannot be fully predicted, e.g., potential weather impacts on busing costs, on-site AV experience.
- Registration for the 2014 Annual Conference will open January 13. Registration for both MW and AC starts from a lower number of “bundle” registrations, compared to 2013 conferences.
- Looking at Division national conferences, AASL had a strong Fall 2013 national conference, but it is too early to have final numbers. Registration was approximately \$80,000 over target, but exhibits and advertising revenues were approximately \$120,000 under target. Final numbers should be available by the end of the 2nd quarter. PLA’s national conference will be in March 2013. 2014 is a “spend-down” (non-conference) year for ACRL.
- Banned Books Week performed well this year, doing better than 2013.
- CHOICE has begun (January 2013) three aggressive marketing campaigns to drive new CRO subscriptions. A delayed launch put CRO3 behind budget.
- Registration fees (for continuing education) continue to be a bright spot, particularly for ALCTS and LLAMA. LITA and ASCLA have new courses coming. RUSA got off to a slow start, but has approved five new courses.
- *Every Child Ready to Read* (ALSC, PLA) continues to be a strong performer.
- Dues revenues during the first quarter were mixed, with some Divisions showing gains, and some small losses. United for Libraries is beginning to see the impact of the special subscription membership program.
- Seals and related permissions are doing well.

GENERAL FUND

CONFERENCE SERVICES

Midwinter Meeting

At this point, Midwinter results are somewhat mixed. As of 10 January, registration is at 78% of budget: \$723,705 against a budget of \$927,825. In the major paid categories (ALA Members//ALA Division Members) registration was running 7% behind 2013 (Seattle) as of January 3. Week-to-week performance from January 3 to January 10 was good. The current concern is that registrations may be shifting away from full conference to one-day. There will be additional analysis following Midwinter. Exhibit space sales are currently at \$1,281,150 (up 4% from 2013) compared to a budget of \$1,377,000 (short 7%). There have been some declines or cancellations specially from companies choosing to exhibit at PLA. Exhibit sales should reach \$1,300,000. Advertising is currently at \$214,535 (down 7% from 2013) compared to a budget of \$230,000 (short 7%). Some, if not most, of this gap will be made up with on-site and post-show digital sales. A \$10,000 WIFI sponsorship was lost.

On the expense side, shuttle buses (assuming no significant weather issues) will be \$5-7,000 under budget. Security should be \$25,000 under budget; temps \$3,000 under; and, exhibit decoration \$10,000 under (a result of a new GES contract). As always, AV costs – electrical, internet, labor – cannot be accurately projected pre-show.

On a net basis, the Midwinter Meeting is expected to be off by -\$100,000.

Annual Conference

Registration for ALA 2012 Annual Conference will open on January 13, 2014. The decrease in "bundle" sales (MW+AC) from FY11 to FY12 to FY13 will also impact AC2014 totals, though bundle sales flattened out in Fall 2013. Both exhibit space sales and advertising sales are under way. Information on the Annual Conference will be included in the 2nd quarter report.

ITTS

At the end of November 2013, ITTS expenses are 12.28% or \$74,962 under budget.

Salaries are higher than normal due to severance packages for two staff. Professional services, software maintenance, and depreciation expenses are low due to timing issues. Professional services are being used on managed services to supply us consultants with a range of expertise.

MPS/AED

The AED budget is at -\$57,167 against a budget of -\$48,798. The AED budget covered expenses (unbudgeted) for an accreditation appeal committee in Fall 2013.

HRDR

HRDR projected revenue targets are slightly up due to an unexpected royalty fee. Most revenues however are not anticipated until after Midwinter due to the JobLIST Placement Center.

Expenses are running high in the salaries and benefits lines. Salaries are up about 18% and benefits are up about 24%. (I am checking with HR to ascertain why). Travel related costs are also elevated due to expenses incurred at the National Scholarship Providers Association (NSPA) Conference held in October. (These are in the Scholarships and Study Grants Committee (SSGC) project. In the past this committee project along with those for the Committee on Education (COE), Committee on the Status of Women in Librarianship (COSWL) and Training, Orientation & Leadership Development (TOLD) committee were in unit 101. They have now all been moved to unit 106.)

At the end of the 1st Quarter, HRDR is 13.95% below budget – with a net of -\$68,244 against a budgeted net of -\$79,311. Major factors include some salary savings and delays in some projects. There are some timing issues and variances from line to line – notably in operating expenses.

OA

At the end of November 2013, the Office for Accreditation (OA) had revenues of \$57,296 against a budget of \$55,372. Expenses were \$63,829 against a budget of \$59,514 which included higher transportation costs than anticipated. On a net basis, OA is -\$2,392 against a budget of -\$179,056.

OFD/OLOS

They are on track to stay within budget, particularly in salary/related, due to moving the temp to grant project funds and to the long-term medical leave of a staff member. At this point, OFD/OLOS anticipates generating about \$4,000 in revenue, due to involvement in a national literacy project with ProLiteracy, as well as some miscellaneous presentation commitments for diversity-related topics.

OIF

As of the end of the 1st quarter, OIF is 17.30% ahead on its revenue budget, with gross revenues of \$69,849 compared to a budget of \$59,549, based on book sales. OIF is on track to meet budget. Banned Books Week revenues are well ahead of last year's results at this time, but increased order processing expenses, as well as planned design and printing expenses for the 2013 campaign, will reduce the net. The revenues for the *Newsletter on Intellectual Freedom* are ahead of its expenses, due in part to last year's shift to an all-digital format, but a drop in subscription revenue may be cause for concern. The IFC has a special meeting at the Midwinter 2013 to address redesigning and promoting the NIF.

Expenses are within budget, with total expenses of \$138,107 compared to a budget of \$145,376. On a net basis, OIF is better than budget at - \$68,258 compared to a budget of -\$85,827.

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

| | YTD Prior Year Actual | YTD Actual | YTD Budget | Variance | Variance % | Annual Budget | Annual Projection | % Change from Proj |
|---------------------------------|-----------------------------|------------------|------------------|-----------------|---------------|-------------------|----------------------|-----------------------|
| REVENUES | | | | | | | | |
| PUBLIC LIBRARY ASSOC (PLA) | 214,900 | 180,711 | 198,662 | -17,951 | -9 % | 3,997,194 | | -100 % |
| ASSOC/COLL & RES LIBS (ACRL) | 526,458 | 507,233 | 562,797 | -55,564 | -10 % | 2,349,623 | | -100 % |
| CHOICE | 566,547 | 643,493 | 689,321 | 45,828 | 7 % | 3,055,057 | | -100 % |
| AMER ASSOC OF SCH LNS (AASL) | 245,565 | 1,441,585 | 1,566,613 | -125,028 | -8 % | 2,088,380 | | -100 % |
| ASSOC SPEC COOP LIB AGCY(ASCLA) | 24,495 | 15,375 | 29,020 | -13,645 | -47 % | 136,900 | | -100 % |
| ASSN/LIB CLLN/TECH SERV(ALCTS) | 157,049 | 140,322 | 123,045 | 17,277 | 14 % | 600,263 | | -100 % |
| LIB ADM & MGT ASSOC (LAMA) | 57,609 | 81,479 | 55,148 | 26,331 | 48 % | 253,350 | | -100 % |
| REF. & USER SERV.ASSN.(RUSA) | 98,828 | 82,852 | 60,109 | 22,743 | 38 % | 393,083 | | -100 % |
| United For Libraries | 75,370 | 50,071 | 68,709 | -18,638 | -27 % | 467,130 | | -100 % |
| LIB & INF TECH ASSOC (LITA) | 172,159 | 154,482 | 173,701 | -19,219 | -11 % | 456,366 | | -100 % |
| ASSOC/LIB SERV TO CH (ALSC) | 229,299 | 249,597 | 189,825 | 59,772 | 31 % | 1,105,535 | | -100 % |
| YNG ADLT LIB SERV ASSN (YALSA) | 203,706 | 93,587 | 130,417 | -36,830 | -28 % | 598,140 | | -100 % |
| TOTAL REVENUES | 2,571,984 | 3,640,788 | 3,847,367 | -206,579 | -5 % | 15,501,021 | 0 | -100 % |
| EXPENSES | | | | | | | | |
| PUBLIC LIBRARY ASSOC (PLA) | 328,169 | 309,779 | 645,601 | 335,822 | 52 % | 3,491,254 | | -100 % |
| ASSOC/COLL & RES LIBS (ACRL) | 640,184 | 621,545 | 613,375 | -8,170 | -1 % | 2,924,252 | | -100 % |
| CHOICE | 758,702 | 789,409 | 812,291 | 22,882 | 3 % | 3,254,924 | | -100 % |
| AMER ASSOC OF SCH LNS (AASL) | 299,676 | 1,063,150 | 1,155,886 | 92,736 | 8 % | 2,119,373 | | -100 % |
| ASSOC SPEC COOP LIB AGCY(ASCLA) | 14,742 | 19,543 | 28,364 | 8,821 | 31 % | 141,701 | | -100 % |
| ASSN/LIB CLLN/TECH SERV(ALCTS) | 111,968 | 116,421 | 123,255 | 6,834 | 6 % | 590,777 | | -100 % |
| LIB ADM & MGT ASSOC (LAMA) | 55,908 | 59,375 | 63,208 | 3,833 | 6 % | 266,565 | | -100 % |
| REF. & USER SERV.ASSN.(RUSA) | 90,866 | 77,701 | 99,656 | 21,955 | 22 % | 553,563 | | -100 % |
| United For Libraries | 94,789 | 110,907 | 116,797 | 5,890 | 5 % | 478,712 | | -100 % |
| LIB & INF TECH ASSOC (LITA) | 148,106 | 137,280 | 171,976 | 34,696 | 20 % | 454,522 | | -100 % |
| ASSOC/LIB SERV TO CH (ALSC) | 252,163 | 196,476 | 249,447 | 52,971 | 21 % | 1,134,203 | | -100 % |
| YNG ADLT LIB SERV ASSN (YALSA) | 192,651 | 142,677 | 174,818 | 32,141 | 18 % | 593,686 | | -100 % |
| TOTAL EXPENSES | 2,987,924 | 3,644,262 | 4,254,674 | 610,412 | 14 % | 16,003,532 | 0 | -100 % |
| NET REVENUES | | | | | | | | |
| PUBLIC LIBRARY ASSOC (PLA) | -113,269 | -129,068 | -446,939 | 317,871 | 71 % | 505,940 | | 100 % |
| ASSOC/COLL & RES LIBS (ACRL) | -113,726 | -114,311 | -50,578 | -63,733 | -126 % | -574,629 | | 100 % |

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

Schedule 8

| | YTD Prior Year Actual | YTD Actual | YTD Budget | Variance | Variance % | Annual Budget | Annual Projection | % Change from Proj |
|--------------------------------|-----------------------------|---------------|-----------------|----------------|---------------|-----------------|----------------------|-----------------------|
| CHOICE | -192,155 | -145,917 | -122,970 | -22,947 | -19 % | -199,867 | | 100 % |
| AMER ASSOC OF SCH LNS (AASL) | -54,111 | 378,436 | 410,727 | -32,291 | -8 % | -30,993 | | -100 % |
| ASSOC SPEC COOP LIB AGCY(ASCLA | 9,753 | -4,168 | 656 | -4,824 | -735 % | -4,801 | | 100 % |
| ASSN/LIB CLLM/TECH SERV(ALCTS) | 45,081 | 23,902 | -210 | 24,112 | 11482 % | 9,486 | | -100 % |
| LIB ADM & MGT ASSOC (LAMA) | 1,701 | 22,104 | -8,060 | 30,164 | 374 % | -13,215 | | -100 % |
| REF. & USER SERV. ASSN. (RUSA) | 7,961 | 5,151 | -39,547 | 44,698 | 113 % | -160,480 | | -100 % |
| United For Libraries | -19,419 | -60,836 | -48,088 | -12,748 | -27 % | -11,582 | | 100 % |
| LIB & INF TECH ASSOC (LITA) | 24,053 | 17,202 | 1,725 | 15,477 | 897 % | 1,844 | | -100 % |
| ASSOC/LIB SERV TO CH (ALSC) | -22,864 | 53,121 | -59,622 | 112,743 | 189 % | -28,668 | | -100 % |
| YNG ADLT LIB SERV ASSN (YALSA) | 11,055 | -49,090 | -44,401 | -4,689 | -11 % | 4,454 | | 100 % |
| TOTAL NET REVENUES | -415,940 | -3,474 | -407,307 | 403,833 | 99 % | -502,511 | 0 | 100 % |

American Library Association
Schedule 5 – Statement of Revenues and Expenses – Divisions
November FY 2014

AASL

Some three thousand school librarians, educators and exhibitors attended the AASL 16th National Conference & Exhibition in Hartford on November 14-17. Although the near record-breaking attendance conference registration was approximately \$80,000 over budget, early numbers for exhibits and advertising revenues were approximately \$120,000 under budget. AASL expects final numbers will show Hartford was more successful than the National Conference held two years ago in Minneapolis. As of December 2013, AASL had net revenues of \$378,436 and expenses of \$410,727, for a net over budget of \$32,291. AASL continues to have an open position for a salary savings. Publications are doing well with the newest release of *Ebooks for the School Library Program* and increased advertising in the *Knowledge Quest* journal.

ACRL

Overall ACRL's net is \$63,733 below budget with revenues (\$507,234 actual compared to \$562,797 budgeted) at 9.87% below budget and expenses (\$621,545 actual compared to \$613,375 budgeted) just \$8,170 or 1.3% over budget. Digging deeper ACRL dues are 1% ahead of budget at \$168,653, subscriptions, surprisingly are 1.52% above budget (a trend we do not see lasting) and advertising is 3.5% ahead of budget due to the sale of online ads. Revenues fall short of budget in book sales which are \$40,158 or 56% below budget, Web CE which is \$8,176 or 26.22% below budget, and consulting which is 46% under expected revenue (\$24,499 budgeted, \$13,061 actual). It is always challenging to predict trends on first quarter data. New books will be published by Midwinter which should improve book sales but it is too soon to tell whether this will be enough to get us back on the budgeted track or not. Similarly Web CE is continuing the discouraging trend of FY13; more courses are due to come out in the spring so we will see if that will bolster revenues. This is a spend down year for the ACRL Conference so we budgeted to have a deficit. Though this first quarter report deficit is larger than budgeted--\$114,311 actual vs. \$50,578 budgeted, this difference is partly due to timing and we will closely monitor revenues/expenses and make adjustments as needed.

ACRL/CHOICE

The first quarter ended with Choice net income of -\$145,917, unfavorable to budget by \$22,947 on revenues of \$643,493 and expenses of \$789,409. The negative net income actually represents an improvement of \$46,238 over prior year, thanks to a timing bump (Licensing) on the revenue side, but this fact notwithstanding, Choice revenue lagged budget by \$45,828, or some 6.65%. Spending was up nearly \$31,000 to prior year but still came in at \$22,862 (2.82%) better than budget.

Subscriptions to *Choice* in print are holding their own (3.38% favorable to budget but almost 5% below prior year), but *Choice Reviews Online 3* (CRO3), hampered by a delayed launch, is already 9.53% below budget. In January we are beginning three aggressive marketing campaigns to drive new CRO subscriptions. On the advertising side, gross ad sales for the print version of *Choice* are already down 20% to budget and an equivalent percentage versus prior year. Overall market conditions, exacerbated by our decline in circulation, are discouraging publishers from investing in advertising in our pages. Ad sales for the digital version, on the other hand, are showing a healthy growth, with gross revenues through November up 37.55% to budget. Even more encouraging, prebookings on future editions of CRO3 have locked in gross advertising revenues of at least 101% of our annual revenue goal of \$133,000. Net-net, however, gross ad dollars for the unit remain \$22,365, or 10.74%, under budget. On a more positive note, the Choice/ACRL webinar program is at budget year to date and by all accounts is off to a successful start.

Spending continues to be closely controlled and overall expenses are under budget despite a few line variances. Overall, prospects for the remainder of the year remain mixed. Should the campaigns to drive new CRO subscriptions prove out, and if licensing revenues hold up through a round of budget negotiations this spring, we can expect to come in close to the budgeted -\$199,867. On the other hand, falling print circulation and declining advertising revenue could well jeopardize even this less-than-satisfactory target. It is too soon to tell.

ALCTS

Revenue

Overall, revenue is \$17,277 over budget or 14%. Personal dues revenue is lagging budget by 5%. Registration fees exceeded budget by 52%. This is \$12,000 below FY13. Book sales are close to the budget but well below FY13. LRTS revenue is down \$2,000 from budget. Some donations have been recorded: including \$4,000 for the MW reception from YBP.

Expenses

Personnel expenses are over budget due to adjustments. This also affects benefits. All other expenses are close to budget. Direct expenses overall are under budget by \$9,000 or 8%. Total expenses are under by \$6,800. Overhead is ahead of budget by \$2,200.

Overall

The first quarter shows basically what is to be expected. Dues and subscription revenue are under budget. CE revenue is over budget. Book sales are close. On the expense side the major difference so far is the personnel costs. These have exceeded the budget and will be over budget for the year. Salary adjustments were made at the end of FY13 after the final budget was approved.

Overall, net is positive at \$23,902 against budget of -\$210. This is about half of the net for the first quarter in FY13: \$45,081.

ALSC

As of FY 2014 first quarter, ALSC is performing well. Revenues are ahead of budget, and expenses are under budget. Total revenues are ahead of budget by 31.5%. Dues are performing 4% ahead of budget; permission fees for use of the seal images are now ahead of budget by 66%; and Every Child Ready to Read product sales are running 35% ahead of budget. Online continuing education registration is under budget by 45%. Fall offerings were scaled back due to the staff vacancy. This is offset by CE expenses coming in under budget by 65%.

Total expenses before overhead and taxes remain under budget by almost 24%. The main reason we are under budget is due to salary and benefit savings from two open positions; minimal fall travel; and outside printing services for the fall issue of CAL have not yet posted. In October, we transitioned to our new seals manufacturer and fulfillment center. We continue to work with the fulfillment center on properly setting up our accounts and working with other departments to ensure revenues and fees are properly applied to the correct charge lines. This should shake out in the December and January reports.

ASCLA

- Dues are slightly higher than last year at the same time.
- Total revenue is about \$10,000 under last year at the same time.
- Total expenses are about \$5,000 over last year at the same time.

- One new online course is currently being implemented this year for ASCLA, on the topic of the incarcerated and readers' advisory. Another course is in the works – the instructor has been identified and will submit a proposal. Both of these courses should significantly affect the budget.
- Due to the vacancy in our marketing position, our promotions have slowed for the Midwinter institutes, fundraising trips and the new webcast for library staff serving people with disabilities. Once this position is filled, the revenue connected to the webcast and Annual Conference pre-conferences should increase.

LITA

LITA revenues are 11.06% below budget and expenses are 21.18% below budget. The LITA National Forum was a great success again this year. In addition to the Forum, three web courses, two Midwinter Workshops, and three Annual Conference pre-conferences are either in process or being planned.

LLAMA

REVENUE: is almost 50% better than both budget and FY13, due to much stronger than anticipated webinar sales in the first quarter. Fewer webinars are planned for the second quarter so budget will catch up with current revenue. Webinar revenue is already at 75% of the annual budget, so with a strong second half of the year, revenue would far exceed budget. Membership revenue is 3% ahead of budget and very slightly behind FY13 (\$505). Another bright spot was publication revenue of \$3,239, based on an FY13 lump sum royalty payment for the 4th edition of Staff Development and some older titles. Rev. already exceeds the annual budget and should grow slightly over the year with the new Green Libraries book.

DIRECT EXPENSE: is 90% of budget and less than \$1k different than FY13. Administration salary/benefits exp is slightly ahead of budget. The majority of expense for the Fall Exec Cmt mtg is not yet recorded. Webinar exp. is slightly over budget due to increased production.

OVERHEAD: is almost triple budget at \$4k. **NET REVENUE:** is \$22,103, over \$30k better than budget and over \$23k better than FY13, again reflecting the strong first quarter in webinars, membership and publications, although significant travel/mtg expense is not yet recorded.

PLA

Revenues

Overall PLA revenues are -9% under budget (actual \$180,711 vs. budget \$198,662). Dues are slightly over budget (actual \$118,301 vs. budget \$110,301) as are Every Child Ready to Read product sales (\$13,568 vs. budget of \$10,000). These and other smaller overages are offset by lower than budgeted Web CE (actual \$15,604 vs. budget \$22,500); and advertising revenue for *Public Libraries* magazine (actual \$4,221 vs. budget \$11,141).

Expenses

Expenses (actual \$309,779) are 52% under budget (budget \$645,601). This includes salary savings (\$43,217 off of budget). In PLA, 1.5 positions were not filled and grant funds offset a portion of PLA salary costs. In FY14, PLA is managing two IMLS grants and one Gates Foundation grant. Other major variances are expenses not yet charged for PLA conference related to deposits for speakers, facilities, catering and transportation. These account for a difference from budget of almost \$250,000. This is a timing issue and these expenses will even out as we approach the PLA conference.

RUSA

- Reserve funds were not spent down last year as planned and a surplus occurred. The reserves started the year at a little over \$595,000. A strategic expenditure plan for some of the reserve funds is once again in place for FY2014.
- Dues are about \$2,000 under last year at same time.
- Online learning is off to a slower start this year due to timing issues; about \$12,000 under last year at the same time. 5 new courses have been approved and will be implemented in FY2014, as well as several new webinars.
- Total revenue is down by about \$16,000 compared to last year at the same time; most of this is due to timing issues with the online learning courses.
- Total expenses are under last year at the same time by about \$13,000.
- Online course and webinar revenue should help balance RUSA's budget once again this year.

UNITED FOR LIBRARIES (prev. ALTAFF)

United for Libraries' individual membership is down slightly against budget but should rise steadily as the majority of its members renew in December. Subscription membership (groups such as Friends and Boards of Trustees) is up over budget. Not reflected in the November closing are the current results of a board led personal giving campaign. All members, board members, and former board members (including those from FOLUSA and ALTA) have been asked to make a donation to United. To date, this campaign has brought in approximately \$4,000. Additionally, our annual corporate sponsorship is underway with good early results.

YALSA

YALSA is behind budget on both revenue and expenses. On a net basis, YALSA is slightly more negative than budgeted at this point in the fiscal year (-\$49,090 compared to a budgeted -\$44,401).

Revenue

Dues are 3% behind budget; membership is down slightly in the regular dues category but up in the discounted categories. YALS subscriptions are at budget. Self-published books are doing better than budget. In CE, both webinars (-37%) and e-courses (-14%) are behind budget. Midwinter-related revenues have not been booked at this point. Advertising is mixed, with YALS ads ahead of budget and E-News ads behind budget. Teen Read Week donations are ahead of budget, but Friends of YALSA donations are lagging the budget.

Expenses

Expenses show a mix of variations.

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

Schedule 9

| | YTD Prior Year Actual | YTD Actual | YTD Budget | Variance | Variance % | Annual Budget | Annual Projection | % Change from Proj |
|---------------------------------------|-----------------------------|---------------|---------------|---------------|---------------|----------------|----------------------|-----------------------|
| REVENUES | | | | | | | | |
| (601) LIBRARY HISTORY RND TBL (LHRT) | 2,128 | 2,052 | 1,467 | 585 | 40 % | 5,867 | | -100 % |
| (602) EXHIBITS ROUND TABLE (ERT) | 2,089 | 2,083 | 2,380 | -298 | -13 % | 9,515 | | -100 % |
| (603) FAFLRT | 1,261 | 1,199 | 2,072 | -873 | -42 % | 8,285 | | -100 % |
| (604) GOVT DOCUMENTS RND TBL (GODORT) | 7,486 | 11,972 | 10,249 | 1,723 | 17 % | 50,300 | | -100 % |
| (605) INT FREEDOM ROUND TABLE (IFRT) | 4,114 | 3,927 | 6,249 | -2,322 | -37 % | 25,000 | | -100 % |
| (606) INTL RELATIONS RND TBL (IRRT) | 2,418 | 2,439 | 2,155 | 284 | 13 % | 12,225 | | -100 % |
| (607) NEW MEMBERS ROUND TABLE (NMRT) | 3,911 | 3,545 | 6,088 | -2,543 | -42 % | 24,350 | | -100 % |
| (608) LIB RESEARCH RND TBL (LRRT) | 2,059 | 2,194 | 7,728 | -5,534 | -72 % | 30,913 | | -100 % |
| (609) MAP/GEOGRAPHY RND TBL (MAGIRT) | 1,943 | 2,053 | 3,030 | -977 | -32 % | 12,125 | | -100 % |
| (610) SOCIAL RSPNS ROUND TBL (SRRT) | 2,176 | 2,182 | 2,687 | -505 | -19 % | 11,340 | | -100 % |
| (611) STAFF ORG ROUND TABLE (SORT) | 129 | 132 | 627 | -495 | -79 % | 2,500 | | -100 % |
| (612) LIB INSTRUCTION RND TBL (LIRT) | 5,729 | 5,908 | 6,125 | -217 | -4 % | 24,500 | | -100 % |
| (613) ETHNIC MTL INF EXCH R/T(EMERT) | 16,678 | 8,898 | 2,500 | 6,398 | 256 % | 113,850 | | -100 % |
| (614) CONT LIB ED NT/EX R/T(CLEERT) | 1,827 | 1,854 | 6,291 | -4,437 | -71 % | 25,150 | | -100 % |
| (615) RETIRED MEMBERS RND TBL (RMRT) | 36 | 1,870 | 625 | 1,245 | 199 % | 3,500 | | -100 % |
| (616) GGRT | 646 | 826 | 501 | 325 | 65 % | 2,000 | | -100 % |
| (617) VIDEO ROUND TABLE (VRT) | 887 | 820 | 1,378 | -558 | -41 % | 6,150 | | -100 % |
| (618) SUPPORT STAFF INTERESTS R/T | 974 | 3,650 | 1,362 | 2,288 | 168 % | 6,450 | | -100 % |
| (619) GLBTRT | 2,879 | 2,938 | 2,626 | 312 | 12 % | 19,000 | | -100 % |
| (620) SRT | 641 | 86 | 501 | -416 | -83 % | 2,000 | | -100 % |
| TOTAL REVENUES | 60,011 | 60,628 | 66,641 | -6,013 | -9 % | 395,020 | 0 | -100 % |
| EXPENSES | | | | | | | | |
| (601) LIBRARY HISTORY RND TBL (LHRT) | 246 | 231 | 1,465 | 1,234 | 84 % | 5,867 | | -100 % |
| (602) EXHIBITS ROUND TABLE (ERT) | 1,600 | 3,087 | 4,732 | 1,645 | 35 % | 6,082 | | -100 % |
| (603) FAFLRT | 2,031 | 157 | 168 | 11 | 6 % | 7,520 | | -100 % |
| (604) GOVT DOCUMENTS RND TBL (GODORT) | 832 | 7,526 | 8,374 | 848 | 10 % | 48,775 | | -100 % |
| (605) INT FREEDOM ROUND TABLE (IFRT) | 5,495 | 2,446 | 6,237 | 3,791 | 61 % | 24,953 | | -100 % |
| (606) INTL RELATIONS RND TBL (IRRT) | 284 | 266 | 706 | 440 | 62 % | 8,475 | | -100 % |
| (607) NEW MEMBERS ROUND TABLE (NMRT) | 572 | 488 | 4,963 | 4,475 | 90 % | 19,850 | | -100 % |
| (608) LIB RESEARCH RND TBL (LRRT) | 250 | 252 | 6,767 | 6,515 | 96 % | 27,078 | | -100 % |
| (609) MAP/GEOGRAPHY RND TBL (MAGIRT) | 694 | 198 | 925 | 727 | 79 % | 11,393 | | -100 % |
| (610) SOCIAL RSPNS ROUND TBL (SRRT) | 463 | 1,142 | 270 | -872 | -323 % | 11,335 | | -100 % |
| (611) STAFF ORG ROUND TABLE (SORT) | 46 | 26 | 357 | 331 | 93 % | 1,425 | | -100 % |
| (612) LIB INSTRUCTION RND TBL (LIRT) | 695 | 687 | 3,521 | 2,834 | 80 % | 22,400 | | -100 % |

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

Schedule 9

| | YTD Prior Year Actual | YTD Actual | YTD Budget | Variance | Variance % | Annual Budget | Annual Projection | % Change from Proj |
|---------------------------------------|-----------------------------|---------------|---------------|---------------|---------------|----------------|----------------------|-----------------------|
| (613) ETHNIC MTL INF EXCH R/(TEMIERT) | 9,909 | 834 | 249 | -585 | -235 % | 81,035 | | -100 % |
| (614) CONT LIB ED NT/EX R/(CLEBERT) | 1,040 | 330 | 5,781 | 5,451 | 94 % | 23,165 | | -100 % |
| (615) RETIRED MEMBERS RND TBL (RMRT) | 19 | 101 | 249 | 148 | 59 % | 1,000 | | -100 % |
| (616) GGRT | 90 | 298 | 51 | -247 | -484 % | 2,000 | | -100 % |
| (617) VIDEO ROUND TABLE (VRT) | 219 | 95 | 225 | 130 | 58 % | 6,150 | | -100 % |
| (618) SUPPORT STAFF INTERESTS R/T | 81 | 105 | 702 | 597 | 85 % | 6,450 | | -100 % |
| (619) GLBTRT | 571 | 1,429 | 262 | -1,167 | -445 % | 18,850 | | -100 % |
| (620) SRT | 66 | 17 | 37 | 20 | 55 % | 950 | | -100 % |
| TOTAL EXPENSES | 25,203 | 19,714 | 46,041 | 26,327 | 57 % | 334,753 | 0 | -100 % |
| NET REVENUES | | | | | | | | |
| (601) LIBRARY HISTORY RND TBL (LHRT) | 1,882 | 1,820 | 2 | 1,818 | 90917 % | 0 | | -100 % |
| (602) EXHIBITS ROUND TABLE (ERT) | 489 | -1,004 | -2,352 | 1,348 | 57 % | 3,433 | | 100 % |
| (603) FAFLRT | -770.02 | 1,042.04 | 1,904.00 | -862 | -45 % | 765.00 | | -100 % |
| (604) GOVT DOCUMENTS RND TBL (GODORT) | 6,654.18 | 4,445.97 | 1,875.00 | 2,571 | 137 % | 1,525.00 | | -100 % |
| (605) INT FREEDOM ROUND TABLE (IFRT) | -1,380.93 | 1,481.47 | 12.00 | 1,469 | 12246 % | 47.00 | | -100 % |
| (606) INTL RELATIONS RND TBL (IRRT) | 2,133.59 | 2,173.38 | 1,449.00 | 724 | 50 % | 3,750.00 | | -100 % |
| (607) NEW MEMBERS ROUND TABLE (NMRT) | 3,339.03 | 3,057.26 | 1,125.00 | 1,932 | 172 % | 4,500.00 | | -100 % |
| (608) LIB RESEARCH RND TBL (LRRT) | 1,808.18 | 1,942.07 | 961.00 | 981 | 102 % | 3,835.00 | | -100 % |
| (609) MAP/GEOGRAPHY RND TBL (MAGIRT) | 1,249.04 | 1,855.33 | 2,105.00 | -250 | -12 % | 732.00 | | -100 % |
| (610) SOCIAL RESPNS ROUND TBL (SRRT) | 1,712.78 | 1,040.24 | 2,417.00 | -1,377 | -57 % | 5.00 | | -100 % |
| (611) STAFF ORG ROUND TABLE (SORT) | 83.09 | 105.96 | 270.00 | -164 | -61 % | 1,075.00 | | -100 % |
| (612) LIB INSTRUCTION RND TBL (LIRT) | 5,033.98 | 5,221.61 | 2,604.00 | 2,618 | 101 % | 2,100.00 | | -100 % |
| (613) ETHNIC MTL INF EXCH R/(TEMIERT) | 6,769.17 | 8,064.08 | 2,251.00 | 5,813 | 258 % | 32,815.00 | | -100 % |
| (614) CONT LIB ED NT/EX R/(CLEBERT) | 786.49 | 1,523.89 | 510.00 | 1,014 | 199 % | 1,985.00 | | -100 % |
| (615) RETIRED MEMBERS RND TBL (RMRT) | 17.29 | 1,768.47 | 376.00 | 1,392 | 370 % | 2,500.00 | | -100 % |
| (616) GGRT | 556.07 | 527.79 | 450.00 | 78 | 17 % | .00 | | -100 % |
| (617) VIDEO ROUND TABLE (VRT) | 667.87 | 724.79 | 1,153.00 | -428 | -37 % | .00 | | -100 % |
| (618) SUPPORT STAFF INTERESTS R/T | 892.78 | 3,545.12 | 660.00 | 2,885 | 437 % | .00 | | -100 % |
| (619) GLBTRT | 2,308.48 | 1,509.44 | 2,364.00 | -855 | -36 % | 150.00 | | -100 % |
| (620) SRT | 575.28 | 68.92 | 464.00 | -395 | -85 % | 1,050.00 | | -100 % |
| TOTAL NET REVENUES | 34,808 | 40,914 | 20,600 | 20,314 | 99 % | 60,267 | 0 | 100 % |

AMERICAN LIBRARY ASSOCIATION

Financial Statement

Balance Sheet Accounts

Actual vs Prior Year

Period Ending November 2013

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Schedule 10

| | YTD | | YTD | | |
|--|-------------------|-------------------|------------------|--------------|--------------|
| | Actual | Prior Year | Actual | Variance YTD | Variance % |
| ASSETS | | | | | |
| CURRENT ASSETS | | | | | |
| Cash | 4,136,032 | 2,418,836 | 1,717,197 | | 71.0 % |
| Short Term Investments | 13,205,126 | 13,601,208 | -396,081 | | -2.9 % |
| Accounts Receivable, Gross | 2,907,009 | 2,655,382 | 251,628 | | 9.5 % |
| Less: Reserves | -239,117 | -211,575 | -27,543 | | -13.0 % |
| Accounts Receivable, Net | 2,667,892 | 2,443,807 | 224,085 | | 9.2 % |
| Grants Receivable | 516,006 | 827,289 | -311,284 | | -37.6 % |
| Inventories, Gross | 2,520,918 | 2,276,854 | 244,064 | | 10.7 % |
| Less: Reserves | -620,552 | -517,180 | -103,372 | | -20.0 % |
| Inventories, Net | 1,900,366 | 1,759,674 | 140,692 | | 8.0 % |
| Prepaid Expenses & Other A/R | 5,566,164 | 7,047,338 | -1,481,175 | | -21.0 % |
| TOTAL CURRENT ASSETS | 27,991,586 | 28,098,152 | -106,566 | | -0.4 % |
| PROPERTY, PLANT & EQUIPMENT | | | | | |
| Furniture & Equipment | 22,193,133 | 21,083,492 | 1,109,642 | | 5.3 % |
| Buildings & Improvements | 13,261,267 | 13,155,339 | 105,928 | | 0.8 % |
| Land | 3,146,743 | 3,146,743 | 0 | | 0.0 % |
| Property, Plant & Equipment, Gross | 38,601,143 | 37,385,574 | 1,215,569 | | 3.3 % |
| Less: Accum Depreciation | -25,626,489 | -23,649,890 | -1,976,598 | | -8.4 % |
| Property, Plant & Equipment, Net | 12,974,655 | 13,735,684 | -761,029 | | -5.5 % |
| Investments | 37,071,600 | 32,466,629 | 4,604,971 | | 14.2 % |
| Due From (To) Other Funds | -1,373 | -1,373 | 0 | | 0.0 % |
| TOTAL ASSETS | 78,036,468 | 74,299,092 | 3,737,376 | | 5.0 % |

AMERICAN LIBRARY ASSOCIATION

Financial Statement

Balance Sheet Accounts

Actual vs Prior Year

Period Ending November 2013

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Schedule 10

| | YTD | | YTD | | |
|--|-------------------|-------------------|--------|------------------|--------------|
| | Actual | Prior Year | Actual | Variance YTD | Variance % |
| LIABILITIES AND FUND BALANCES | | | | | |
| CURRENT LIABILITIES | | | | | |
| Current Portion, Long Term Debt | | 1,310,914 | | 103,135 | 7.9 % |
| Accounts Payable | 1,414,049 | 1,823,677 | | 247,250 | 13.6 % |
| Accrued Operating Expenses | 2,070,927 | 43,027 | | 49,469 | 115.0 % |
| Accrued Income Taxes | 92,495 | 5,054 | | 5,648 | 111.8 % |
| Accrued Payroll Expenses | 10,702 | 17,888,475 | | -101,309 | -0.6 % |
| SUB-TOTAL / PAYABLES | 17,787,166 | 21,071,147 | | 304,193 | 1.4 % |
| DEFERRED REVENUES | | | | | |
| Membership Dues | 3,492,580 | 4,024,542 | | -531,962 | -13.2 % |
| Subscriptions | 2,391,076 | 2,435,468 | | -44,392 | -1.8 % |
| Meetings & Conferences | 5,220,418 | 4,922,319 | | 298,099 | 6.1 % |
| Grants & Awards | 4,084,724 | 3,336,536 | | 748,188 | 22.4 % |
| SUB-TOTAL / DEFERRED REVENUES | 15,188,797 | 14,718,865 | | 469,931 | 3.2 % |
| TOTAL CURRENT LIABILITIES | | | | | |
| | 36,564,137 | 35,790,013 | | 774,125 | 2.2 % |
| DC Properties LT Bond | | | | | |
| Fair Value of Interest Rate Swap | 8,947,090 | 9,452,500 | | -505,410 | -5.3 % |
| TOTAL LIABILITIES | | | | | |
| | 45,511,227 | 45,242,513 | | 268,715 | 0.6 % |
| FUND BALANCE | | | | | |
| | 32,525,255 | 29,057,034 | | 3,468,222 | 11.9 % |
| TOTAL LIABILITIES/ FUND BALANCE | 78,036,483 | 74,299,546 | | 3,736,937 | 5.0 % |

American Library Association
Schedule 6 – Commentary: Balance Sheet - Total ALA
November FY 2014

ASSETS

At November 30, 2013, total assets of \$78,036,468 are \$3,737,376 more than the total at November 30, 2012. This is a result of increases in cash and short-term investments (A), net accounts receivable (B), long-term investments (D), (F), offset by a decrease in grant receivables and write down of intangible assets(C) and property, plant and equipment (E).

A. Cash and Short-Term Investments: Cash and short-term investments of \$17,341,158 at November 30, 2013 are \$1,321,116 higher than at November 30, 2012.

| | <u>YTD</u> | <u>INTEREST INCOME</u> | <u>YTD</u> |
|---------|---------------------|------------------------|--------------|
| | <u>AVG. BALANCE</u> | <u>143,167</u> | <u>YIELD</u> |
| FY 2013 | 13,707,823 | | 1.73% |
| FY 2014 | 16,379,900 | 201,815 | 2.25% |

See Schedule 2 explanation for additional investment information.

B. Net Accounts Receivable: Net accounts receivable of \$2,667,892 at November 30, 2013 are \$224,085 higher than the balance of \$2,443,807 at November 30, 2012. Total trade receivables were \$1,346,207 as compared to \$1,516,860 in FY 2013. Reserves for bad debt increased \$27,543.

C. Inventories: Net inventories increased by \$140,692, the gross inventory balance increased by \$244,064 to \$2,520,918 at November 30, 2013 from \$2,276,854 at November 30, 2012. The Neal-Schuman acquisition has added \$796,604 to gross inventory. ALA Editions finished goods has an \$21,312 increase and Graphics has a \$26,850 decrease. ALA Editions work-in-progress has an increase of \$1,500. On a net basis, the reserves have increased \$103,372 at November 30, 2013.

D. Endowment Investments: Long-term endowment investments of \$37,071,600 at November 30, 2013 are \$4,604,971 higher than at November 30, 2012, primarily as a result of market conditions.

E. Property, Plant and Equipment: Property, plant and equipment, net of depreciation of \$12,974,655 at November 30, 2013 is \$761,029 lower than at November 30, 2012 mainly as a result of capital lease receivables from the prior year.

F. Prepaid Expenses and Other Assets: The major items in this category at November 30, 2013 are Goodwill, \$1,826,567 and Intangible Assets (Net), \$2,715,198 related to the acquisition of Neal-Schuman Publishers, Inc. in December 2011. The goodwill was written down by \$500,000 from \$2,326,567 to \$1,826,567. Intangible assets were written down b \$380,000 and has a net book value of \$2,865,364 at November 30, 2013.

LIABILITIES

At November 30, 2013, total liabilities of \$45,511,227 are \$268,715 more than total liabilities at November 30, 2012 primarily due to (E) deferred revenues – grants, and (D) deferred revenues offset by decreases in (B) deferred revenues – subscriptions, and membership dues (C), increase in accounts payable, deferred revenue – conference and grants and awards (F), long-term debt and (A).

A. Deferred Revenues - Meetings and Conferences: At November 30, 2013, deferred revenues for meetings and conferences totaled \$5,220,418 as compared to \$4,922,319 at November 30, 2012. At November 30, 2013 deferred revenues – meetings and conferences consisted of Midwinter \$2,255,667, Annual Conference, \$1,013,514, PLA, \$1,638,985, ACRL, \$187,208, and AASL, \$0.

B. Deferred Revenues – Grants: Deferred revenues for Grants and Awards at November 30, 2013 are \$4,084,724 as compared to \$3,336,536 at November 30, 2012.

| | <u>November 2013</u> | <u>November 2012</u> |
|---|----------------------|----------------------|
| Verizon Literacy Network | \$243,653 | \$243,653 |
| OSI Privacy | 0 | 250,231 |
| Dollar General-American Dream Starts @ Your Library | 319,696 | 726,284 |
| Dollar General-Beyond Words | 765,549 | 602,973 |
| Dollar General-Everybody Read @ Library | 250,272 | 235,597 |
| Gates Technology Benchmark | 311,728 | 554,700 |
| Gates-Strategic Policy Grant | 428,065 | 0 |
| Carnegie-I love My Librarian Award | 167,806 | 77,428 |
| 21 st Century Fund | 111,438 | 91,488 |
| Scholarship Bash | 533,740 | 407,247 |
| Google-Int'l. Copyright Advocacy | 64,649 | 0 |
| Friends Projects | 77,831 | 97,492 |

C. Accounts Payable: At November 30, 2013, accounts payable totaled \$21,375,340 as compared to \$21,071,147 at November 30, 2012. The increase of \$304,193 reflects the addition of the current portion of capital lease..

D. Deferred Revenues - Membership Dues: Deferred revenues for membership dues at November 30, 2013 are \$3,492,580 as compared to \$4,024,542 at November 30, 2012.

E. Deferred Revenues – Subscriptions: Deferred revenues for subscriptions at November 30, 2013 are \$2,391,076 as compared to \$2,435,468 at November 30, 2012. The decrease of \$44,392 is mainly a decrease in American Libraries (\$2,504), and CHOICE (\$21,585) offset by an increase in Reviews on Cards (\$2,190), Booklist (\$77,695), GR, RDS MKTG (\$166,950) and Online Resources (39,625).

F. Long-Term Debt: At November 30, 2013, long-term debt totaled \$8,947,090 as compared to \$9,452,500 at November 30, 2012. The decrease is a result of the first principal payment, which was made on July 1, 2013.