

ALA

August 31, 2016
Executive Summary

50,687,020	51,206,892	(519,872)	51,897,784	51,079,220	(1)
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EXPENSES BY FUND	Fiscal Year Actual 8/31/16	Fiscal Year Budget 8/31/16	Fiscal Year Variance 8/31/16	Prior Year Actual 8/31/15	Actual 8/31/14	Change FY16 - FY15
General Fund	28,014,559	29,166,918	1,152,359	28,745,049	27,659,586	730,490
Division	15,651,999	16,497,506	845,507	14,637,656	14,196,747	(1,014,343)
Round Table	299,000	342,630	43,630	263,741	216,755	(35,259)
Plant Fund	0	0	0	0	0	0
Grants and Awards	6,269,571	4,861,263	(1,408,308)	7,724,354	5,033,539	1,454,783
Long-Term Investment	648,856	624,320	(24,536)	(4,851)	875,834	(653,707)
Total Expenses	50,883,985	51,492,637	608,652	51,365,949	47,982,461	481,964

NET REVENUES(EXPENSES)	Fiscal Year Actual 8/31/16	Fiscal Year Budget 8/31/16	Fiscal Year Variance 8/31/16	Prior Year Actual 8/31/15	Actual 8/31/14	Change FY16 - FY15
General Fund	(745,055)	368,856	(1,113,911)	279,373	606,586	(1,024,428)
Division	125,910	(842,310)	968,220	(328,749)	1,384,611	454,659
Round Table	134,985	47,257	87,728	165,034	141,501	(30,049)
Grants and Awards	0	0	0	(500,080)	(78,594)	500,080
Long-Term Investment	287,196	140,452	146,744	916,257	1,042,655	(629,061)
Total Net Revenues(Expenses)	(196,964)	(285,745)	88,781	531,836	3,096,759	(728,800)

LIABILITIES	31-Aug-16	31-Aug-15	Change	Change %
Current Portion, L-T Debt	1,329,604	2,215,066	(885,462)	-40.0%
Accounts Payable	4,181,055	5,208,199	(1,027,144)	-19.7%
Accrued Payroll	21,684,212	21,309,969	374,243	1.8%
Deferred Membership	3,890,351	4,024,106	(133,755)	-3.3%
Deferred Subscriptions	2,211,631	2,341,252	(129,621)	-5.5%
Deferred Conferences	2,625,132	2,516,557	108,575	4.3%
Grants and Awards	4,748,005	3,888,964	859,041	22.1%
Long-Term Debts	3,200,000	4,529,604	(1,329,604)	-29.4%
Total Liabilities	43,869,990	46,033,717	(2,163,727)	-4.7%
FUND BALANCE	31,840,367	31,615,151	225,216	0.7%
TOTAL LIAB./FUND BAL	75,710,357	77,648,868	(1,938,511)	-2.5%

11,705,162	12,899,351	(1,194,189)	-9.3%	12,645,125	(939,963)
8,606,250	9,673,800	(1,067,550)	-11.0%	9,572,914	(966,664)
5,601,948	5,652,400	(50,452)	-0.9%	5,482,197	119,751
1,168,658	1,140,508	28,150	2.5%	1,087,785	80,873
84,942	86,715	(1,773)	-2.0%	110,496	(25,554)



10,823,745	11,467,204	643,459	5.6%	12,015,117	1,191,372
12,851,212	13,478,923	627,711	4.7%	12,612,235	(238,977)
3,049,560	3,220,797	171,237	5.3%	2,787,893	(261,667)
4,687,905	4,710,466	22,561	0.5%	4,611,982	(75,923)
1,794,259	1,872,362	78,103	4.2%	1,791,120	(3,139)
(6,360,015)	(6,701,843)	(341,828)	5.1%	(6,215,149)	144,866
1,167,782	1,119,009	(48,773)	-4.4%	1,141,851	(25,931)
28,014,448	29,166,918	1,152,470	4.0%	28,745,049	730,601
(744,942)	368,856	(1,113,798)		279,374	(1,024,316)

EXPENSES

Total General Fund expenses for the period were less than budget, with a \$1.1M favorable variance. Lower expenses than budgeted in Publishing, MPS, AMR, Executive Office, and Finance and Accounting offset lower overhead recovered than projected (due to lower revenues than projected) as well as higher General Administration expense than projected. General Administration expense is higher than budgeted primarily due to higher legal and health insurance expenses than originally budgeted.

Lower expenses in Publishing (before Neal Schuman amortization of \$369k) and AM&R were primarily due to open personnel positions, as well as lower Publishing costs due to fewer books sold than projected. While Midwinter Meeting expenses were higher in some areas than budgeted, Annual Conference expenses were at or below budget, most notably in audiovisual expense and labor.

Operating Net Revenue

Planning & Evaluation [11-102-0104]: This budget closed with \$21,815 remaining of the \$31,000 available.

ALA Leadership Institute [11-102-0124]: When the FY16 budget was established in the spring of 2015 we did not take into account having to pay the two facilitators of the institute who had been facilitating gratis for the first three years of this training. We had to pay them for their services for the 2016 Institute and going forward. This oversight resulted in a budget overage of approximately \$15,800, exactly the cost of their combined fees of \$16,000.

Executive Office [11-103-0000]: At the close of FY16, this budget was overspent by approximately \$8,400.

Election Processing [11-103-9000]: Expenditures of \$110,580 were well within the \$113,850 budget for this project which includes processing the budgets for all of ALA's divisions and round tables as well as the ALA president and council.

ALA Member Programs & Services

FY2016 MPS results were mixed. Performance by product line and revenue stream is highlighted below:

· **Conferences and Other Face-to-face events:** *The 2016 PLA Conference showed strong results, beating budget targets in all areas. AASL had a strong conference (Fall 2015), with exhibit space sales over budget, but registration lagging slightly. Both the ALA Midwinter and ALA Annual Conference came in below budget targets. Preconferences were mixed. Both the YALSA Symposium and LITA Forum had positive results. FY2016 was a "spend-down" or non-conference year for ACRL and a non-institute year for ALSC.*

· **Webinars, Web-Courses and other Digital Learning:** *Results varied unit-to-unit, with some showing strength in web-courses (ALCTS) and others in webinars (ACRL, LLAMA). HRDR continued to build its online learning, working with both APA and the SAED Office. Generally, online learning lagged behind FY2015 – with unit-to-unit variations.*

· **Publishing – Books and Journals:** *ACRL book publishing was a strong year. Subscriptions generally continue their downward trend, although Choice print products slowed their rate of decline, ending the year ahead of budget. Choice magazine, card and CRO revenues ended behind, largely due to timing errors which will self-correct over the coming months. Advertising, including Choice, was largely a positive area. Every Child Ready to Read, a joint ALSC and PLA product, continued its strong performance; the ECRR toolkit did well due to statewide initiatives (bulk sales). Projects launched at year-end (e.g., ALSC's media mentorship book) will positively impact FY2017. Both Banned Books Week and OIF's Newsletter ended positively – though they did not meet targets.*

· **Seals – Physical and Digital:** *ALSC had a strong year for both sale of physical seals and digital licensing. YALSA seals revenue lagged somewhat, due to fewer honor titles. There is a normal up/down pattern in seals sales – related to both number of award titles in a given year and external factors such as film production.*

· **Grants:** *Grants continue to provide both programmatic reach and support, including the Dollar General Literacy Foundation (ODLOS, ALSC), Disney Curiosity Creates grants (ALSC). PLA administered 10 grants in FY2016, including the Gates legacy grant.*

· **Other:** *ASCLA's travel program continues to perform well. United for Libraries continues to build its state and regional purchase program. OA received two pre-candidacy applications at year-end. This was a transition year, with a new Executive Director in LITA, temporarily splitting time/salary cost between ALA ITTS and LITA. That will not continue in FY2017.*

Conference Services: ALA Midwinter Meeting (MW)

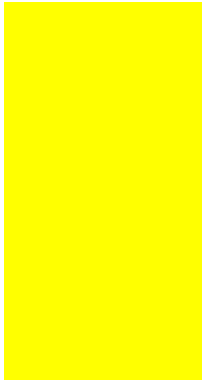
Several factors impacted the 2016 Midwinter Meeting (Boston), weather concerns (based on the 2015 winter), the early schedule, campus-related issues and the Boston labor structure. MW2016 had gross revenues of \$2,779,257 (against a target of \$3,006,550) and direct expenses of \$2,348,836 (against a target of \$2,218,369) – resulting in an excess of revenue over expenses (contribution margin) of \$419,468. After contributing \$719,827 (a percentage of gross revenues) in general overhead to ALA, the Midwinter Meeting ended up (\$300,360). The major unfavorable expense factors relate to spread and to the Boston labor structure: conference equipment rental, exhibits setup, special transportation (shuttle buses), AV rental and labor, computer rental/internet connections were all over budget. Facilities (convention center) rental and security were under budget. On the revenue side, registration (-13%), exhibit space sales (-10%) and advertising (-7%) were all below target.

Conference Services: ALA Annual Conference (AC)

While the 2016 Annual Conference (Orlando) was successful by many measures, including a positive bottom line, it failed to meet its budget targets. AC16 had gross revenues of \$4,804,909 (against a \$5,496,975 target). Direct expenses were under budget at \$3,630,699 (against a target of \$3,958,637) – resulting in an excess of revenue over expenses (contribution margin) of \$1,905,720. After contributing \$1,433,933 to ALA in general overhead (a percentage of gross revenue), the Annual 2016 had a net revenue after overhead of \$323,949 (against a target of \$587,405). On the revenue side, registration was significantly off budget at \$2,005,001 (against a target of \$2,679,600), a -25% variance. Exhibit space sales were on target. Advertising was behind (-11%). On the expense side, most expenses came in on or under budget, including – notably – audiovisual equipment & labor.

Information Technology and Telecommunications Services (ITTS)

At the end of August 2016, ITTS expenses are 2% or \$52,086 under budget. Salaries are lower than normal due an open position filled in January 2016. Professional Services are under budget because we paid less for our Disaster Recovery as a Service (DRaaS), our Moodle migration was moved to fiscal 2017, and our new UPS system was not installed in August 2016 as planned. Professional services dollars are being used on managed services to supply us consultants with a range of expertise.



Association for Library Collections & Technical Servic

*Every Child Ready to Read is a shared project with PLA and has a 50% revenue/expense split. Figures presented here are ALSC's portion only. Toolkit sales performed ahead of budget by 140%
hasn't had sales per Choice's budget*

Advertising fared reasonably well in FY16, with net revenues of \$565,628 finishing slightly (\$13K) over budget but some \$19K below prior year. Revenues from both magazine and Choice Reviews advertising were down 3% and 12% respectively vs. prior year, as advertisers, Gale/Cengage foremost among them, trimmed spending on digital advertising. Some mitigation was provided by \$20,160 in unbudgeted ad sales for the Choice mobile app. Easily the most positive news in FY16 was the continued success of the Choice/ACRL webinar program, which once again topped \$150,000 in gross revenue. For the year, we hosted twenty-four sponsored and one "house" webinar (for Choice Reviews), at an average price of \$6,271 per webcast. Overall, the program garnered 17,184 registrants (average 687 per session) and 6,151 attendees (average 246), representing gains of 79% in registrants and 98% in attendees over FY15.

Library and Information Technology Association (LITA)

Dues

Our job ads service continues to generate substantial revenue at \$20,665, up 3% from projections.

Library Leadership and Management Association (LLAMA)

The FY16 result is better than budget though still in the red, and significantly behind FY15.

TOTAL REVENUE (Line 20): is 93% of budget at \$240,092, over \$40k less than FY15. The large variance between this year and last is due primarily to \$12k less in webinar revenue and \$23k less in preconference revenue. Last year there were four preconferences and this year there were three, and registration for each was lower. FY16 Midwinter Institute revenue was also lower than FY15. Personal/org dues are 1.5% better than budget and close to FY15.

DIRECT EXPENSE (Line 67): is 90% of budget, with savings in Executive Committee travel and CE production. Admin expense is less than budget and right in line with FY15, though last year there was an additional \$5k expense for a temporary employee. The MW Institute broke even before overhead, but lost approx. \$500 after overhead is included.

ALA OVERHEAD (Line 69): is 68% of budget, again reflecting lower webinar revenue. NET REVENUE (Line 71): is (\$4,659), or approximately \$11k better than budget, but \$10k less than FY15.

NOTES ON FY16: The large variance in webinar revenue was due primarily to fewer webinars offered and no standout offering. A number of scheduled webinars had to be canceled due to last-minute speaker conflicts. Those were rescheduled into FY17, so the first quarter of 9(n)-4.86099(u)-4.86099(e)-4.86099(f)-2.43049(w)20.9245dntegrar revra swebint-ring()-2.43049(y)-8.he 32.43049(n)-4.86955(u)-4.86099(m)9.234

Public Library Association (PLA)

	BUDGET	ACTUAL	VARIANCE
FY16 Opening Fund Balance		\$2,423,817	
Revenue	\$4,175,741	\$4,354,564	\$178,824
Expenses	(\$2,975,679)	(\$2,609,697)	\$365,983
Overhead	(\$802,968)	(\$835,846)	(\$32,878)
SUBTOTAL EXPENSES	(\$3,778,648)	(\$3,445,543)	\$333,104
NET	\$257,094	\$909,021	
Closing Fund Balance (Projected)	\$2,680,911	\$3,330,683	

PLA-Administered Grants

Bill and Melinda Gate Foundation: EDGE technology benchmarks (\$867,448, FY11-FY16), performance measurement (\$2,956,530, FY15-FY19), general operating (\$203,000, FY15-FY18), and legacy (\$10,805,701, FY16-FY26)

Other: Verizon/ODLOS DigitalLearn.org support (\$243,653, FY16)

In FY16, PLA spent approximately \$1,222,413 in grant funding plus \$127,456 to ALA in overhead. The total balance of the grants as of the close of FY16 was approximately \$11,347,331 in funding for direct expenses and \$1,352,528 in funding for overhead.

Beginning Assets: \$464,821

Dues: Slightly under target by \$6,900 or -4%. Actual: \$171,427 compared to \$178,263 same time last year. \$178,400 was the projection for this year.

The YALSA Symposium was a success, contributed \$26,899 to ALA through general overhead and \$39,514 in net revenue to YALSA. YALSA events at the 2016 ALA Annu

