

YALSA Board of Directors Meeting
ALA Midwinter Meeting, Boston
January 15 – 19, 2010

Topic: FY10 Fiscal Year Update

Background: FY10 began September 1, 2009. As of Jan. 4th, fiscal reports are available through November and an overview is provided below. The Board may want to discuss the continued impact of the recession on association revenues and any proactive steps that might be taken to ensure YALSA remains fiscally healthy. If December fiscal reports become available between Jan. 4th and Jan. 14th, additional information may be provided on site. The Board will also want to discuss budget priorities for FY11, based on the strategic plan and other association priorities.

Action Required: Discussion

YALSA FY10 Financial Outlook:

November 2009

	Actual	Budgeted	Variance
Total Revenue	89,829	124,848	(35,018)
Total Direct Expenses	123,560	145,533	21,972
Contribution Margin (what's left over after you subtract cost from revenue)	(33,731)	(20,685)	(13,046)
Overhead (what we contribute to ALA in return for services)	2,490	2,360	(130)
Tax	108	108	0

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for Teen Read Week products, while not yet realized, will be significantly lower than last year, due to weak product sales. TRW sponsorships were also down for the 2009 campaign. YALSA closed the first quarter of the fiscal year slightly behind budget for dues, but this gap could close in the second quarter because December and January are strong months for renewing dues. In the fall of 2009 ALA implemented an effort to clean up the member data base and remove duplicate records, records for deceased individuals, etc. About 2,000 bad records were removed, which has impacted membership statistics across the association, including YALSA. As of November, YALSA's membership stood at 5,414, which is down 2.8% over this time last year. It's uncertain how much of the change is due to the database clean-up and how much is due to members choosing not to renew their dues. YALSA did add 96 new members in November, so that is a positive sign. Royalties for book and product sales are only issued two times a year. They will not appear until the March fiscal reports.

Expenses:

Expenses are under budget overall, and staff will work to keep this trend going throughout the fiscal year to make up for lower than budgeted revenues. Expenses were slightly over budget for member promotion and retention, but this should improve due to the November launch of the revised handouts and materials procedures and web presence at www.ala.org/yalsa/handouts. Overhead contributions to ALA are on target so far this fiscal year.

Long Term Investments:

The transfer of \$25,000 from the general fund to the Leadership Endowment was made in November. The Morris Endowment appears to have turned a corner and yielded a positive return for the first quarter of FY10.

Recommended Financial Strategies for FY10

Controlling Expenses in FY10:

- Conferences
 - Curtail use of AV at conferences
 - Opt for the most affordable food service options at conferences
 - Use speakers who can cover their own travel expenses and/or waive a speaking fee
 - Consider re-negotiating the hotel contract for the 2010 YA Lit Symposium
 - Example: Hyperion is sponsoring the YA Author Breakfast at Annual 09

- Division mailings
 - Avoid overnight mailings, when possible and instead ship standard rate
 - Restrict member communications to email
 - Put fliers online for people to download to reduce photocopying & mailing
 - Example: the Annual conference mailing sent jointly by AASL, ALSC and YALSA will be an email blast this year, instead of in print form

- Media Outreach & Marketing
 - Curtail media outreach and marketing efforts to those that can be done without contracting with an outside agency
 - Explore the possibility of establishing a fee to winning publishers to assist w/ cost of PR for the awards

- Check sales more frequently and make adjustments to marketing, if needed
- Review inventory in PBD and eliminate slow moving items that have costly storage fees
- Sell ads for the blog, YAttitudes and the research journal
- Pursue grant opportunities for publishing, such as Carnegie Whitney
- Pursue publishers who violate ALA’s copyright on use of award seals & seal images
- Pursue the idea of selling products thru cafepress.com
- Example: Asked ALA if they could provide regular sales reports, instead of relying on the biannual royalties statements for info

- Other
 - Evaluate the fees we charge to award sponsors: are they adequate?
 - Review existing resources for revenue generating possibilities. Could the PUP manual be adapted and sold as a book?
 - Stay on top of overdue receivables to ensure timely payment
 - Consider a new approach to sponsorships: ask each publisher to kick in \$1,000 for TRW, instead of approaching them individually
 - Seek out possible sponsor contacts: who do you know who works for a company that might be a good sponsor for YALSA?
 - Pursue grant opportunities wherever possible
 - Create a sponsor interest form and post online—list all sponsor opportunities on a single form
 - Approach authors for donations (Beth noticed that Gene Yang gave \$1,000 to the National Book Foundation)

Proposed FY11 Budget Priorities

Funding initiatives not in FY 10 budget:

<u>Initiative</u>	Estimated Expense	Possible Funding Source(s)	Strategic Plan Support
Student conference scholarship	2,000	Sponsor or Leadership Endowment	#4 Continuous Learning #5 Member Recruitment & Engagement
Reverse mentoring program <i>(this will only be needed if the IMLS grant isn't funded)</i>	5,000	Operating budget, FOY, Endowment	#4 Continuous Learning #5 Member Recruitment & Engagement
Send a letter and white paper on importance of YA in SLIS to deans of library schools	500	Operating budget	#1 Advocacy
Create branded materials to promote YALSA’s awards and lists	5,000	Operating budget, Morris funds	#2 marketing
YALSA TV	10,000	Sponsor, ad revenue	#2 Marketing

