

CD #33.1

ALA Council/Executive Board/Membership  
Information Session

Annual Conference 2010 - 11

# BUDGET ANALYSIS AND REVIEW COMMITTEE

## BARC REPORT TO COUNCIL

Mario M. Gonzalez  
BARC Chair

Annual Conference  
Sunday, June 26, 2011  
New Orleans, LA

# BARC REPORT

- Fiscal Year 2011 Budget Update
- Mid Year Adjustments
- Fiscal Year 2012 Plan
- Budget Monitoring/Contingency Plans

# FISCAL YEAR 2011 BUDGET UPDATE

- 8 month Period Ending April 30, 2011 -

- Total ALA Revenues (all combined funds)  
\$27,300,659 - \$ 481,518 less than budget (-1.7%) and  
\$6.4 million less than last year (-18.9%)
- Total ALA Expenses (all combined funds)  
\$29,729,574 - \$ 703,892 less than budget (-2.3%) and  
\$3.8 million less than last year (-11.2%)
- General Fund Revenues  
\$14,744,758 - \$ 503,572 less than budget (-3.3%) and  
\$ 106,343 more than last year (0.7%)
- General Fund Expenses  
\$17,591,730 - \$ 513,842 more than budget (3.0%) and  
\$ 696,144 more than last year (4.1%)

# FISCAL YEAR 2011 STATUS

- 8 month Period Ending April 30, 2011 con't -

- Division Revenues: \$ 641,376 less than budget (-6.7%)  
Division Expenses: \$1,493,832 less than budget (-14.4%)
- Roundtable Revenues: \$ 23,820 less than budget (-11.0%)  
Roundtable Expenses: \$ 67,783 less than budget (-46.6%)
- Grants and Awards: \$ 438,948 more than budget (18.1%)
- Investment Interest Dividends: \$ 248,302 more than budget (77.2%)
- Long-Term Investment: \$33,750,178 (\$28.9 million in Aug. 2010)

# Mid Year Budget Adjustments

- Revenues

	<u>Annual Budget</u>	<u>Year End Projections</u>	<u>Variance</u>
General Fund	\$ 26,822,213	\$26,379,688	\$ 442,525
Divisions	\$ 13,810,174	\$13,343,900	\$ 466,274
Round Tables	\$ 367,115	\$ 367,115	\$ 0
Grants & Awards	\$ 3,995,660	\$ 4,495,660	(\$ 500,000)
LTI	<u>\$ 482,351</u>	<u>\$ 468,601</u>	<u>\$ 13,750</u>
Total	\$45,477,513	\$45,054,964	\$ 422,549

# Mid Year Budget Adjustments

- Expenses

	<u>Annual Budget</u>	Year End <u>Projections</u>	<u>Variance</u>
General Fund	\$26,822,213	\$26,534,168	\$ 288,045
Divisions	\$15,354,208	\$14,479,793	\$ 874,415
Round Tables	\$ 345,725	\$ 345,725	\$ 0
Grants & Awards	\$ 3,995,660	\$ 4,495,660	(\$ 500,000)
LTI	<u>\$ 618,852</u>	<u>\$ 618,852</u>	<u>\$ 0</u>
Total	\$47,136,658	\$46,474,198	\$ 662,460

# General Fund Budget Adjustment Sources

## Revenue Shortfall

General Fund	(\$ 442,000)
Expense Overage	<u>(\$ 449,000)</u>
Total	(\$ 891,000)

## Expense Adjustments

Personnel Related	\$ 128,000
Building & Technology Related	\$ 131,000
Governance/Committees	\$ 38,000
Publishing & Conferences	\$ 170,000
BCBS Refund	\$ 220,000
BCBS Reserve	<u>\$ 50,000</u>
Total	<u>\$ 737,000</u>
Shortfall/Board Reserves	(\$ 154,000)

# Potential Use of Reserves

**\$154,000 - \$375,000**



# FISCAL YEAR 2012 PLAN

## BUDGET PREPARATION PROCESS

*(All General Fund Units, Divisions, and Roundtables)*

- Key Functions/Alignment with ALA Priorities i.e. ALA 2015 strategic plan
- Environmental Assumptions
- Positive/Negative Trends
- Major Multiyear Unit Goals
- Service and Product Enhancements
- New Business Development Strategies
- Current Year Budget Review
- Next Fiscal Year Budget Request

## BUDGET MONITORING/CONTINGENCIES

- Detailed Month-to-Month Budget Review
- October 2011 - Final FY11 Results
- February 2012 - FY12 Six-Month Analysis  
(Annual Projections)
- Detailed Revenue Trends Analysis
  - Publishing
  - Dues
  - Meetings and Conferences
  - Grants and Awards
  - Interest and Dividends
- Detailed Expense Reduction Strategies – if needed

**Thank You for Your Attention**