

TO: LITA Board of Directors

TOPIC: Modify LITA Forum Registration Fee Schedule (Updated)

ACTION / INFORMATION / REPORT: Action

SUBMITTED BY: Christine Peterson, Chair, Financial Advisory Committee

DATE: January 29, 2018 (originally submitted November 2, 2017)

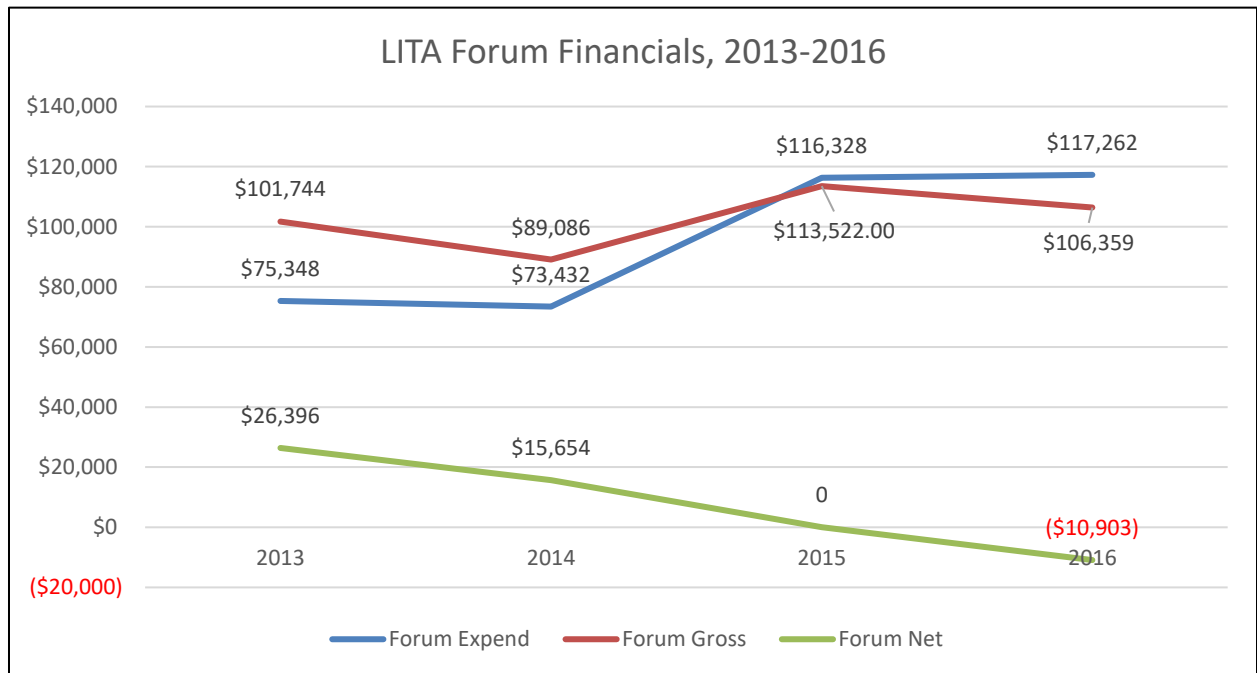
SUMMARY

The Financial Advisory Committee was asked by the LITA Board to consider registration fees for the LITA Forum.

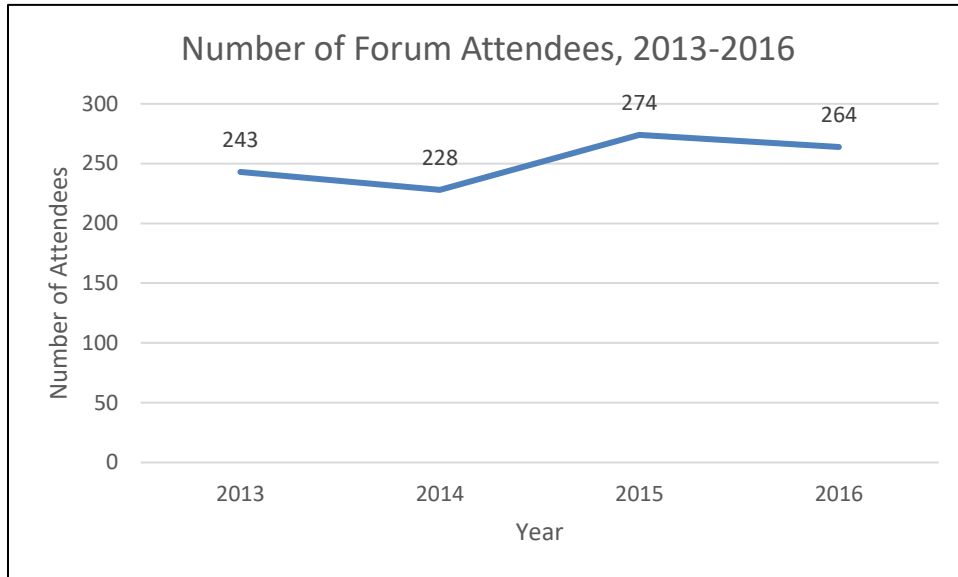
BACKGROUND

Since 2013, net income from the LITA Forum has decreased annually. In 2016, the Forum took a loss of over \$10,000. Our goal was to see if we could find ways to decrease expenses or increase revenue for the Forum. In this report, we are focused on modifying registration fees.

The table below displays the amount of money spent over the past 4 Forums (Forum Expend), income (Forum Gross), and gain after expenses (Forum Net).



The Forum Net shows a steady decline for the past four years even though attendance has pretty much stayed the same, if not increasing slightly:



Expenses for the Forum have gone up, but income has not increased to match.

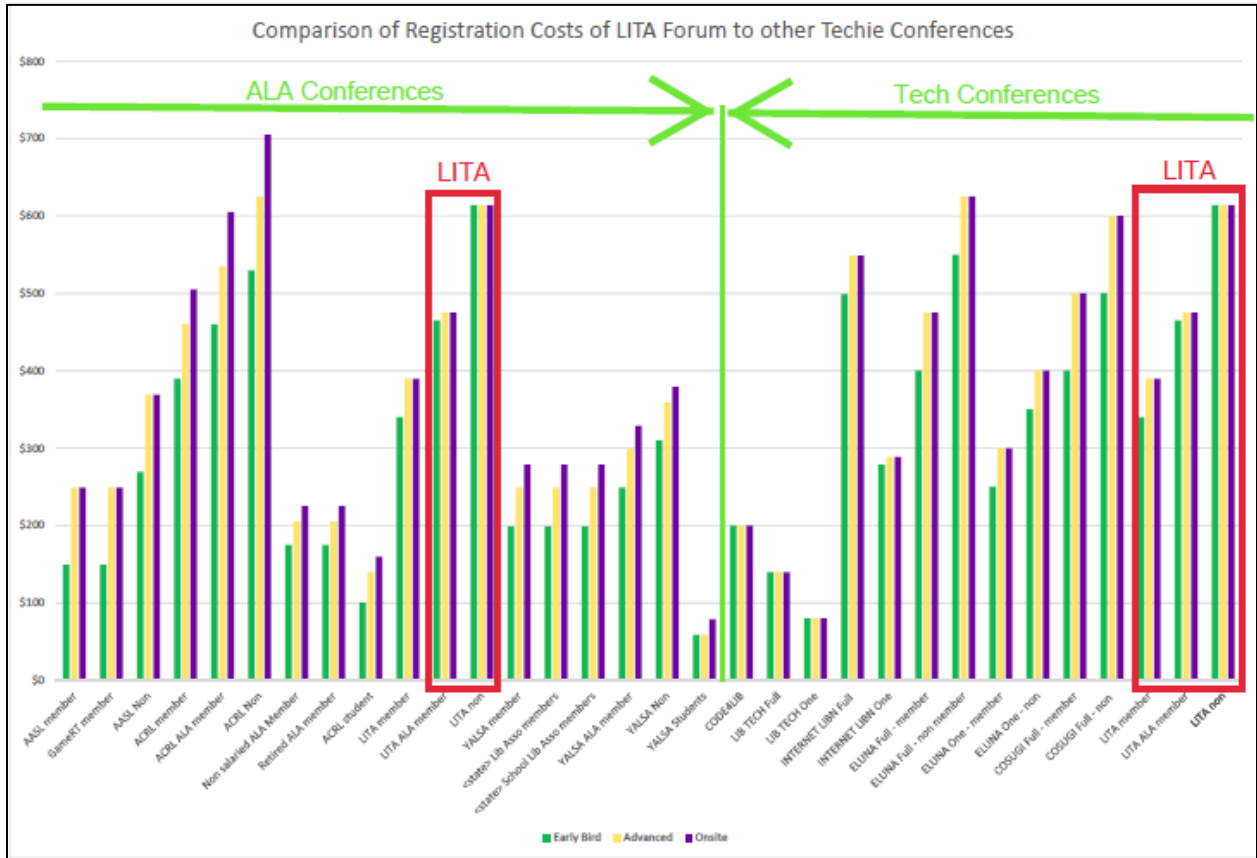
There are two steps to this pricing analysis:

- Evaluate current pricing levels
- Modify registration fees to increase income

Evaluate Current Pricing Levels

In June 2016, the FAC compared current LITA Forum registration rates with other, similar technical conferences and other ALA conferences. Below, you can see the result of this analysis. ALA units are represented on the left and other technical conferences on the right. LITA is represented in both areas:

- In the ALA Conferences section, Forum registration fees for ALA members and for non-members is represented.
- In the Tech Conferences section, Forum registration fees for LITA members, ALA members, and non-members is represented.



We also looked at “per day” registration fees for the same conferences:

	LITA Members Current	LITA Members Proposed	ALA Members Current	ALA Members Proposed (130%)	Non-members Current	Non-members Proposed (150%)
Early Bird	\$340	\$340	\$465	\$440	\$614	\$510
Regular	\$390	\$390	\$475	\$510	\$614	\$585
Preconferences	\$192	\$190			\$280	\$285
Students					\$180	\$180
Speakers, Committee Members	\$294	\$250	\$294	\$250	\$294	\$250

Using this method, the total revenue for the 2016 Forum would have been the same and the rates are much simpler to explain.

The FAC then looked at increasing revenue. Our initial goal is to create a break-even scenario for the Forum, which means finding \$10,000, the deficit from the 2016 Forum. A simple way to meet this goal is to increase the base registration fees by \$40, resulting in the registration fee schedule below.

	LITA Members Current	LITA Members Proposed (+\$40)	ALA Members Current	ALA Members Proposed (LITA member price + 130%)	Non-members Current	Nonmembers Proposed (LITA member price + 150%)
Early Bird	\$340	\$380	\$465	\$495	\$614	\$570
Regular	\$390	\$430	\$475	\$560	\$614	\$645
Preconferences	\$192	\$230			\$296	\$345
Students					\$180	\$180
Speakers, Committee Members	\$294	\$350	\$294	\$350	\$294	\$350

Currently, speakers and committee members receive a \$46 discount. We have decreased this to a \$30 discount simply because there are so many speakers.

In addition, we would like to add an option for ALA members to become members during the Forum registration process. This would be an additional \$60 charge. We would also like to include an option for non-ALA members to become members but aren't sure if this would be possible.

JANUARY UPDATE

At the November 2017 Board meeting, the Board deferred acting on the Financial Advisory Committee's recommendation until it received feedback on the proposal from the 2018 Forum Planning Committee.

Although the group discussed the issue, the Forum Committee didn't come to a consensus, other than to express a general concern that increases in attendance make the cost rise rather than fall.

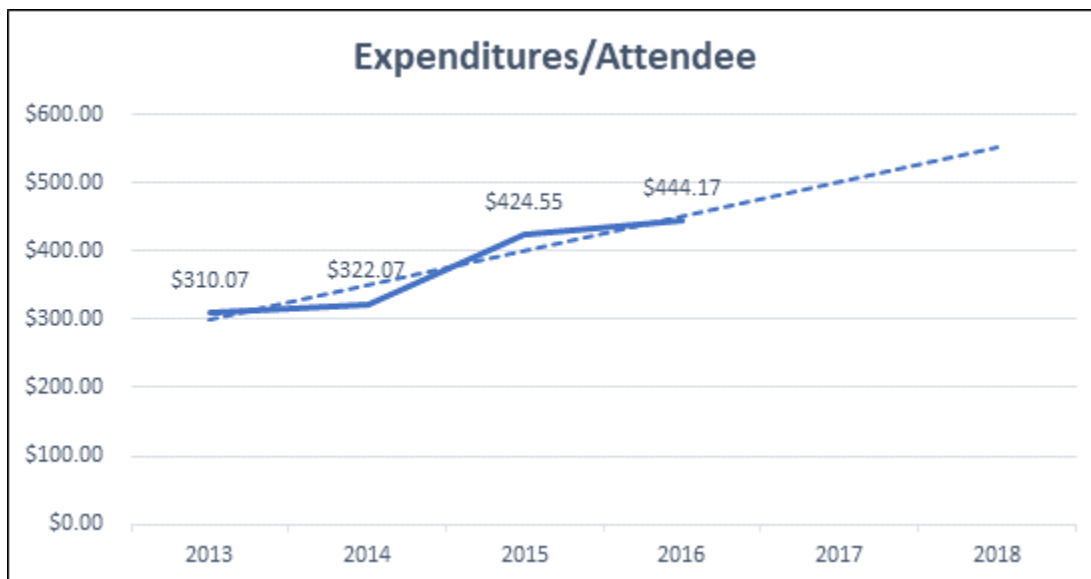
The FAC hadn't done this yet, so I calculated the revenue and expense per attendee over the past four years:

	# Attendees	Gross Revenue	Revenue/Attendee	Expenditures	Expenditures/Attendee	Net	Net/Attendee
2013	243	\$101,744	\$418.70	\$75,348	\$310.07	\$26,396	\$108.63
2014	228	\$89,086	\$390.73	\$73,432	\$322.07	\$13,654	\$59.89
2015	274	\$113,522	\$414.31	\$116,328	\$424.55	\$0	\$0.00
2016	264	\$106,359	\$402.88	\$117,262	\$444.17	(\$10,903)	(\$41.30)

Here is what we see:

- The number of attendees is relatively stable.
- The revenue has gone down slightly, but not a lot.
- The expenditures per attendee has risen almost 150%; this is where the disconnect is.
- The net per attendee naturally follows the expenditures per attendee.

Here's a graph of the expenditures/attendee forecasted for 2017 and 2018. Assuming no changes, we could multiply the number of attendees by this number to arrive at the revenue needed for each year.



REQUESTED

The Financial Advisory Committee requests that the LITA Board approve the LITA registration fees as follows:

	LITA Members Proposed (+\$40)	ALA Members Proposed (LITA member price + 130%)	Nonmembers Proposed (LITA member price + 150%)
Early Bird	\$380	\$495	\$570
Regular	\$430	\$560	\$645
Preconferences	\$230		\$345
Students			\$180
Speakers, Committee Members	\$350	\$350	\$350

Minimally, include an option for ALA members to become LITA members. If possible, include an option for non-ALA members to become LITA members.