**TO:** PLA Board of Directors

**RE:** PLA FY22 Budget Preparation

**DATE:** February 8, 2021

**SUBMITTED** Clara Bohrer, PLA Fiscal Officer

**ACTION REQUESTED/INFORMATION/REPORT:** Information

**ACTION REQUESTED BY:** N/A

**DRAFT OF MOTION:** N/A

 As part of the process of improving the fiscal health and practices of ALA, the association is moving to a revenue-based budgeting practice. This will enable all units to create realistic budgets that match expense to revenues, in an attempt to avoid deficits and other surprises.

PLA submitted the attached revenue estimates on February 10th as the first phase in this process. These numbers are based on past performance overlaid with assumptions about the ongoing impacts of the pandemic. Expense templates will open on February 16th for the second phase. We feel confident that the revenue estimates will fully support the related expenses.

2022 is a PLA Conference year. A conversative estimate has been made about conference revenue, assuming a smaller in-person audience. Other in-person workshops have been zeroed out, while paid webinars (the project WebCE) have been budgeted to match 2020-21’s strong showing. We anticipate continued success attracting grant and partner funds, but we have also been conservative there, projecting that we basically renew current funding, given uncertainties about PLA’s capacity to seek out funders, secure grants, and execute new initiatives.

ALA’s annual budget is constructed and approved through an iterative process with 3 versions presented at Executive Board meetings for review and approval. The versions are: Preliminary Budget (Spring), Revised Budget (Annual Conference), and Final Budget (Fall). The budget is not changed after the final version and any significant deviance of actual revenues or expenses during the fiscal year represents variances to be explained by managers. There will be future opportunities to refine the budget as we move through the year, receive more current financial reports, and better understand the scope of pandemic impacts in 2022.