

Core FY21 First Quarter Financial Report
Operating result through February 2021 (Month 6, FY21)

	YTD Actual	YTD Budget	Variance	FY21 Original Budget	FY21 Revised Budget
Revenues	\$347,833	\$521,941	\$ (174,108)	\$ 997,382	N/A
Expenses	\$199,228	\$294,052	\$94,823	\$ 1,045,714	\$ 1,026,643
Net	\$(32,623)	\$1,919	\$(34,542)	\$ (48,332)	\$ (29,261)

Summary: ALA's accounting team is diligently working through past data to bring financial reporting current. Note that by this point in the fiscal year we normally would be reviewing April or May financials.

Overall, revenue is much lower than budget, and expense is also below budget. The main revenue variance is in CE, particularly under webinars, where the position responsible for over \$200,000 in revenue has been vacant much of the year.

There are also several reporting issues we will work with accounting before the next quarterly report. I've listed the main issues in each project area.

Finally, note that ALA, due to the cancelation of Midwinter and Annual, divided among all the units a mandatory expense reduction in two conference line items, resulting in the Revised Budget noted above. For Core, that reduction amounted to \$16,479 for Facilities Rental and \$2,592 for Entertainment, for a total expense reduction of \$19,071. That is reflected in the FY21 net changing from \$(48,332) to \$(29,261). For Core, those two lines were already zero, and the expense reduction is essentially on paper only. The actual year-end loss will be at a minimum the originally budgeted amount of \$(48,332), and is projected to be closer to \$(100k), based on lost webinar revenue.

Key Budget Areas

Projects with little or no YTD revenue/expense are not shown, i.e., Annual Conference.

ALA Overhead

Revenue: N/A

Expense: \$7,433 Actual \$35,393 YTD Budget \$68,676 FY21 Budget

Note: area for review and correction. Reported actual overhead has not changed since the last quarterly report, though more than a dozen webinars and course have launched. Actual overhead will be much higher once all registration revenue is recorded.

Administration/Operations

Revenue: \$89,487

Expense: \$247,556 Actual \$354,079 YTD Budget \$669,187 FY21 Budget

Note: area for review and correction. Nearly \$90k of dues revenue was reported in Admin instead of Member Services. On the expense side, one full-time staff position effectively became vacant in March and will likely remain so through FY21, resulting in TBD salary/benefit savings. In addition, a part-time staff position, budgeted at \$25,000, will remain unfilled in FY21.

Forum

Revenue: \$49,449 Actual	\$75,000 YTD Budget	\$75,000 FY21 Budget
Expense: \$38,756 Actual	\$51,500 YTD Budget	\$51,500 FY21 Budget

Note: the online Forum had net revenue of \$10,703 against a budgeted net of \$23,500.

Journals/Subscriptions

Revenue: \$5,933 Actual	\$7,440 YTD Budget	\$14,880 FY21 Budget
Expense: \$4,201 Actual	\$10,596 YTD Budget	\$39,072 FY21 Budget

Note: expense is well under budget due only to timing. Year-end expense will be much closer to budget.

Member Services/Dues

Revenue: \$107,556 Actual	\$110,476 YTD Budget	\$441,902 FY21 Budget
Expense: \$2,163 Actual	\$4,562 YTD Budget	\$18,250 FY21 Budget

Note: area for review and correction. As noted above, nearly \$90k in dues revenue was reported under Admin and will need to be transferred to this project. In addition, the total revenue reported for Organizational Dues is zero, which is obviously incorrect. It is likely that some of the \$90k being reported under Admin is actually org dues. Finally, total rev. reported this quarter for personal dues has not changed since the last quarter, clearly another issue. Staff will work with both accounting and membership to resolve before the next quarterly report.

Web Courses

Revenue: \$15,967 Actual	\$90,000 YTD Budget	\$180,000 FY21 Budget
Expense: \$9,976 Actual	\$42,790 YTD Budget	\$85,580 FY21 Budget

Note: a bright spot in the budget. The reported revenue is far below what we're tracking and will catch up as the FY progresses. We're projected full year course rev. will end close to the \$180k budget.

Webinars

Revenue: \$67,737 Actual	\$100,000 YTD Budget	\$200,000 FY21 Budget
Expense: \$11,499 Actual	\$17,900 YTD Budget	\$71,600 FY21 Budget

Note: projected to be the greatest variance in the year-end budget. With the staff position devoted wholly to webinars vacant since December, webinar production is well below target. The Continuing Education Committee and staff members Julie Reese and Tom Ferren have done a tremendous job taking on some of the work resulting from this unexpected vacancy, but it is likely that year-end revenue will be less than \$100k, or not even half of the original \$200,000 budget. If this position is expected to remain vacant throughout FY22, we will need to cut FY22 webinar rev. projections by at least \$100k.