

ACRL Budget and Finance I

Thursday, February 4, 2021 | 12:00 PM – 2:00 PM CST | [Zoom](#)

Agenda

| Time | Item (Document number follows topic and presenter) |
|---------------------------------------|---|
| 12:00–12:10 p.m. | 1.0 Welcome and Introductions (Allen) |
| 12:10–12:15 p.m. | 2.0 Assign/Review Recorders (Allen) Minutes are typically due within two weeks following a meeting. Minute takers will confirm the deadline of March 18 for minutes to be submitted to the compiler, B&F Chair Carolyn Allen. <ul style="list-style-type: none"> Recorder 1: Joint Board/B&F, Feb 2, 11-1 CST = Recorder 2: B&F I, Feb 4, 12-2 CST = Compiler = Carolyn Henderson Allen |
| 12:15–12:20 p.m. Action | 3.0 Adoption of the Agenda (Allen) The committee will adopt the agenda and will identify if there are items for New Business. |
| 12:20–12:25 p.m. Action | 4.0 June 2020 Virtual Meeting Minutes (Allen) #1.0 The Budget & Finance Committee will take action on its meeting minutes from virtual meetings held in June 2020. |
| 12:25–12:30 p.m. Action | 5.0 Confirmation of Virtual Vote (Allen) #2.0 The committee will confirm its asynchronous virtual vote taken between its meetings held June 2020 and January 2021. <ul style="list-style-type: none"> ACRL and Choice FY21 Budget (Voting period: 8/7/2020 to 8/13/2020) |
| 12:30–12:45 p.m. Discussion | 6.0 Debrief of Joint Board/B&F & ALA Finance Meetings (Allen) The committee will review the discussion with ALA Treasurer & ALA Executive Board liaison Maggie Farrell and consider implications for ACRL and its finances. The Committee will also debrief and ask questions they may have regarding the January 2021 ALA Finance and Governance meetings. |
| 12:45–12:55 p.m. | Break |

| Time | Item (Document number follows topic and presenter) |
|--|---|
| 12:55–1:10 p.m. Information/Discussion | 7.0 ACRL FY21 Projections & FY22 Preliminary Budget (Malenfant) #4.0, #6.0, #7.0, #8.0 The committee will receive an update on ACRL projections for FY21, as well as the preliminary budget for FY22. |
| 1:10–1:25 p.m. Information/Discussion | 8.0 CHOICE FY20 & FY22 Preliminary Budget (Cummings) #5.0, #6.0, #9.0 The committee will receive an update and discuss the CHOICE preliminary FY22 budget and provide feedback to staff. |
| 1:25–1:40 p.m. Information | 9.0 Organizational Dues (Petrowski) #11.0, #11.1, #11.2, #11.3 ACRL Associate Director Mary Jane Petrowski will share a proposal for updated organizational dues benefits. |
| 1:40–1:50 p.m. Discussion | 10.0 Review of Progress on B&F Committee’s Work Plan (Allen) #2.0 The committee will review its work plan progress and consider whether additional projects could be considered for next year, particularly if they will help membership understand finances. |
| 1:50–2:00 p.m. | 11.0 New Business (Allen) |
| 2:00 p.m. Action | 12.0 Adjourn (Allen) |

ACRL Budget & Finance Committee Document Inventory

Budget & Finance Meeting, February 4, 2021

Purple = New Documents

Black = Included in Packet

| # | Document |
|----------|--|
| Doc 1.0 | B&F Committee Annual 2020 Minutes |
| Doc 2.0 | ACRL B&F Work Plan |
| Doc 3.0 | Budget & Finance Action Form: Confirmation of Virtual Vote FY21 Budget |
| Doc 4.0 | ACRL FY20 and FY21 estimates and outlook |
| Doc 5.0 | Choice Financial Performance Sep to Dec 2020 |
| Doc 6.0 | FY22 Budget Assumptions for ACRL and Choice |
| Doc 7.0 | ACRL FY22 Preliminary Budget Executive Summary |
| Doc 8.0 | ACRL Timing for FY22 preliminary budget |
| Doc 9.0 | Choice FY22 First Pass Budget Summary |
| Doc 10.0 | ACRL Net Asset Balance Brainstorming |
| Doc 10.1 | ACRL Reserves at CHEMA Associations' Reserve Levels |
| Doc 11.0 | Discussion Form: ACRL Organizational Dues |
| Doc 11.1 | Organizational Dues History |
| Doc 11.2 | Organizational Benefits |
| Doc 11.3 | Value Propositions for Organizational Members |

FYI Documents

| # | FYI Document |
|-------|---|
| FYI-1 | ACRL Plan for Excellence |
| FYI-2 | ALA Operating Agreement Work Group Info |

Budget & Finance Committee



Association of College and Research Libraries
Budget and Finance Committee Meeting I
Kevin Merriman, recorder
American Library Association Conference via Zoom
June 18, 2020
12:00-2:00 p.m. Central, Part 1

Present: Carolyn Henderson Allen, Chair, Kara Malenfant, ACRL Interim Executive Director, Jon Cawthorne, ACRL President-elect; Tara Baillargeon, Erika Dowell, Fannie Cox, Binh Le, Alexia Hudson-Ward, Binh Le, Scott Mandernack, Kevin Merriman, Joe Mocnik, Marla Peppers, Kristen Totleben, Brian Rennick

Guests: Maggie Farrell, Julie Ann Garrison, Lauren Pressley

Staff: Margot Conahan, David Connolly, Mark Cummings, David Free, Erin Nevius, Allison Payne (staff liaison), Mary Jane Petrowski, Elois Sharpe

1.0 Welcome and Introductions

Allen welcomed everyone to the meeting and invited those preset to introduce themselves.

2.0 Meeting Recorders

Thursday, June 18: Kevin (first half), Erika (second half)

Friday, June 19: Joe (first half), Tara (second half)

3.0 Adoption of Agenda

Allen called for any changes to the agenda as printed. Alexia Hudson-Ward moved to approve Agenda with a modification to include a discussion on equity, diversity and inclusion.

Seconded by Binh Le, the agenda was unanimously approval.

4.0 Approval of 2020 Midwinter Meeting Minutes

Allen called for any changes to the minutes as printed. There were no changes to the minutes, and Joe Mocnik made the motion to approve, Marla Peppers seconded. The minutes were approved unanimously.

5.0 ALA BARC Liaison Report from Maggie Farrell

Highlights of Farrell's remarks:

- ALA FY21 budget is not yet approved, there is ongoing discussion. There will be meeting of the ALA council in September for an October finalization of FY21 budget.
- ALA cancelled the in-person annual conference due to COVID19 and has filed an insurance claim which contained a rider for pandemics. As of this date, the settlement has not been reached
- ALA received funding from the Paycheck Protection Program funding
- ALA is applying for a federal disaster loan
- Endowment trustees supported providing a loan for \$1.5 million in FY21 and \$1.5 million in FY22, to be paid back by 2030, from the Futures Fund, not scholarship or section funds
- ALA will continue to review its FY21 budgets over the summer, and expenses will be brought in line with revenues.
- Current FY21 budget includes staff furloughs
- The Operating Agreement Working Group will be appointed during the June 30 meeting, and will begin work in mid-July. The goal is to make a final recommendation on the ALA Operating Agreement by next year.
- ALA is closely monitoring liquidity for FY20.

6.0 Fiscal Updates

Allen gave a good overview of the June 12, 2020, ALA Executive Board Meeting. Malenfant reiterated that FY21 and FY22 are "pivot years" -- the Midwinter discussions talked about financial strain before the pandemic. We need to continue to uphold our commitment to our mission and values.

The Chair asked that the minutes reflect the following statement in support of the ACRL staff. "We appreciate the unwavering support and service of the ACRL staff to keep us viable and functioning under extraordinary conditions ranging from organizational changes to personally stressful conditions."

BREAK

Association of College and Research Libraries
Budget and Finance Committee Meeting 1
Erika Dowell, Recorder
American Library Association Annual Conference via Zoom
Thursday, June 18, 2020
1:00 p.m. -2:00—p.m. Part 2

Present: Carolyn Henderson Allen, Chair, Kara Malenfant, ACRL Interim Executive Director, Jon Cawthorne, ACRL President-elect; Tara Baillargeon, Erika Dowell, Fannie Cox, Binh Le, Alexia Hudson-Ward, Binh Le, Scott Mandernack, Kevin Merriman, Joe Mocnik, Marla Peppers, Kristen Totleben, Brian Rennick

Guests: Maggie Farrell, Julie Ann Garrison, Lauren Pressley

Staff: Margot Conahan, David Connolly, Mark Cummings, David Free, Erin Nevius, Allison Payne (staff liaison), Mary Jane Petrowski, Elois Sharpe

7.0 FY20 Financial Reporting (Allen/Malenfant)

The reports from the committee's last meeting in January 2020 remain valid. Malenfant reported that there are some estimates of losses related to a decrease in membership renewals, classified advertising, and the cancelled conference. Similarly, there are estimated savings from staff furloughs and other budget cuts. In general, the organization is "flying blind" regarding its finances as no new monthly financial reports have been made available by the firm handling ALA finances located in India largely due to COVID19.

Malenfant reported it is still possible to spend budgeted section funds, but we should proceed with good stewardship and with an eye to restraining spending where possible. ALA continues to experience a lack of available cash, though ACRL's net asset balance still exists on the books.

8.0 ACRL FY21 Dues Rate (Allen/Petrowski)

This item was postponed and considered after item 9 on the agenda Budget Assumptions and Potential Revisions.

The committee revisited its previous vote to raise dues by \$2 for regular members and \$1 for retired members in FY21. Since that time, the HEPI index has dropped from 2.4% to 1.4%, meaning that the current appropriate dues increase would be \$1 for regular and retired members. However, ALA has kept its dues flat in recognition of the immense economic challenges facing higher education and the larger economy, including job losses, furloughs, hiring freezes, cancelled salary increases, and more.

After discussion, the committee approved the following motion (moved by Fannie Cox, seconded by Brian Rennick):

The ACRL Budget & Finance Committee recommends that the ACRL Board follow ALA's action and rescind the previously approved FY21 dues increase for personal and retired members as a symbolic gesture of solidarity and compassion during the COVID-19 pandemic.

9.0 ACRL FY21 Budget Assumptions and Potential Revisions (Allen)

ALA and its divisions have agreed to use the same budget assumptions in planning during this time dominated by COVID-related medical and financial challenges to higher education and the economy in general. Overall, a 23% decline in revenue is forecast. The current budget under consideration results in a major loss. The committee discussed a list of further cuts compiled by the ACRL staff (Document 24.1) which identified another \$125,000 in savings. Should the budget pan out as outlined, the \$125,000 will be used to assist in partially covering the deficit.

Relative to the Budget Assumptions, Alexia Hudson-Ward asked “in light of the police killing of George Floyd, and the renewed, and I hope sustained, attention to racism and white supremacy in the United States,” the committee should consider support for incorporating attention to Equity, Diversity, and Inclusion (EDI) in our budget process to make sure that all areas of the organization are pursuing EDI/social justice/anti-racism activities. Cuts should be avoided in any EDI-related activity, and we should consider providing more funding in pursuit of these goals.

Several committee members voiced support for this idea. Allen indicated that we should keep in mind that the Work Plans of all the ACRL committees have at least one goal to support EDI efforts. As well, our President's Program this year, *Together Wherever*, focused on EDI efforts within and outside of libraries. There was general discussion about bringing to the attention of the committee the variety of efforts ACRL already has in place. Allen agreed to send the committee information about the broad ACRL efforts. As well, there was consensus that this matter should be presented to the Board for consideration and approval of funds to support EDI.

Allen, Malenfant, and Payne will convey this to the ACRL Board of Directors, so that the Board can discuss next steps for taking action on this request.

10.0 ACRL Advancement Fund (Allen/Petrowski)

Petrowski described an effort between ACRL and PLA to improve their subscription library benchmarking data products (ACRL Metrics and PLA Metrics). The two divisions have separate products but are sharing the redesign and development costs. The improvements will result in lower annual costs, increased subscriber satisfaction and revenue, and allow integration with Project Outcome, as described in Document 17.0. The request was made to utilize the advancement fund in the amount of \$25,000 to support this effort.

The committee approved the following resolution (moved by Joe Mocnik, seconded by Marla Peppers):

The ACRL Budget & Finance Committee recommends to the ACRL Board of Directors a disbursement of \$25,000 from the ACRL Friends Advancement Fund in FY21 to support the initial rebuild of the ACRL academic library benchmarking product.

11.0 Adjourn

At adjournment, Fannie M. Cox expressed her thanks to the committee, as she leaves the group after eight years of service. The committee replied with their thanks and warm regards for Cox's many years of service to the committee.



Association of College and Research Libraries
Budget & Finance Committee Meeting Notes,
ALA 2020 Annual Conference, via zoom
Joe Mocnik, recorder
Friday, June 19, 2020
10:00 – 12:00 am, 1st part

Present: Carolyn Henderson Allen, Chair; Kara Malenfant, ACRL Interim Executive Director; Jon Cawthorne, ACRL President-elect; Tara Baillargeon; Erika Dowell; Alexia Hudson-Ward; Joe Mocnik; Fannie Cox; Binh Le; Scott Mandernack, Brian Rennick

Guests: Jacquelyn A. Bryant, Julie Garrison, Karen Munro, Lauren Presley

Staff: Margot Conahan, David Connolly, Mark Cummings, David Free, Erin Nevius, Allison Payne, Mary Jane Petrowski

11.0 Welcome (Allen)

Meeting called to order at 10:04 a.m. Central.

12.0 CHOICE Budget (Cummings) #8.0, #12.0, #14.0, #14.1

- FY21 CHOICE budget overview

Choice Editor and Publisher Mark Cummings reviewed unofficial FY20 year-to-date figures for Choice, emphasizing that while internal accounting systems at Choice tracked revenues reasonably well, in the absence of current financial statements from ALA Finance, no reliable report of year-to-date expenses could be given.

Revenue Highlights:

- Subscription revenue is running at or slightly above a year ago, but this is most likely only timing, as circulation is down in both print and digital publications. As a possible indication of subscription trends, cash receipts are down approximately 9% year-over-year. However, given the large standard deviation in monthly cash receipts historically, it is premature to attribute the shortfall to the pandemic.
- Gross advertising receipts are up around 3% Y/Y, with a strong performance by webinars and podcasts offset by steep declines in print advertising, part of an emerging trend. Webinars, white papers, and podcasts continue to be growth areas for Choice.
- Licensing should finish the year at or slightly below budget.

Overall FY20 budget position is reasonably good, though they may not be able to break even owing to subscription and print advertising shortfalls.

FY21 Budget:

Since the spring ACRL board meeting Choice has cut an additional \$117K in expenses (2/3 of it in ALA-mandated furloughs) against anticipated reductions of almost \$60K in revenue. Currently, the FY21 budget shows Choice operating at a surplus of \$58K, but further deterioration in revenue may change this. Subscriptions, advertising, and licensing renegotiations are all vulnerable, owing both to COVID-19 as well as long-standing structural issues. “We have real exposure on the revenue side.”

On the bright side, through their rebranding efforts sponsors and advertisers regard them very highly as an effective channel to market to the library industry. And Choice has been very attentive to their performance against the budget! They’ve made real economies in their operations to rein in the expenses, cutting spending by 14% over the past five years. On paper, at least, Choice has a net asset balance of ~\$2.4MM.

The chair thanked Mark for thorough updates.

13.0 FY21 Budget recommendation (Allen) #8.0, #9.0, #13.0, #13.1, #14.0, #14.1, #24.0, #24.1

The committee typically reviews and approves and makes a recommendation on ACRL’s and Choice’s budget at Annual Conference. Due to COVID-19, the committee will discuss if it would like to take action at this meeting or later in the fall when more information on the impact of COVID-19 on institutions’ and ALA’s budgets will be available.

Call for comments and ideas: recommendation to postpone the budget approval; Kevin Merriman made a motion; Alexia Hudson-Ward seconded. The motion passed to delay the budget.

Association of College and Research Libraries
Budget & Finance Committee Meeting Notes, (Tara Baillargeon, recorder)
ALA 2020 Annual Conference, via zoom
Friday, June 19, 2020
10:00 – 12:00 am, Part 2

Present: Carolyn Henderson Allen, Chair; Kara Malenfant, ACRL Interim Executive Director; Jon Cawthorne, ACRL President-elect; Tara Baillargeon; Erika Dowell; Alexia Hudson-Ward; Joe Mocnik; Fannie Cox; Binh Le; Scott Mandernack, Brian Rennick

Guests: Jacquelyn A. Bryant, Julie Garrison, Karen Munro, Lauren Presley

Staff: Margot Conahan, David Connolly, Mark Cummings, David Free, Erin Nevius, Allison Payne, Mary Jane Petrowski

14.0 FY22 Budget Preliminary Discussion (Allen) #18.0, #19.0, #21.0, #24.0, #24.1

The committee summarized its B&F I discussion on trends within higher education and in the ACRL budget, and considered how to approach preparation in regard to the FY22 budget. The committee considered the projected reduced revenues due to COVID-19 and identified programs and services that are most beneficial to ACRL members. These discussions will inform how the staff develops the budget for FY22. The FY22 budget assumptions will be reviewed by the ACRL Budget & Finance Committee during fall 2020, and the draft budget will be presented to the Board and Budget & Finance Committee at Midwinter 2021.

Uncertainty about library budgets in the upcoming fiscal year is widespread and several committee members shared information about planned cuts to their institutions. There was discussion about future programming needs and whether the budget is prepared to address those needs, such as preparing for rapid reskilling and education because of COVID 19. The proposed FY21 budget cuts outlined in document #24.1 were deemed appropriate.

15.0 Report & Work Plan (Allen) #2.0, #3.0

The committee reviewed its current work plan to help inform the year-end report, which will be completed by the chair. The committee also discussed work plan items for next year.

Each component of the work plan was reviewed and feedback on all components was encouraged. The committee discussed using data to gather information about ACRL's diverse populations, including representation on committees and membership join/drop rates. Providing demographic information is voluntary and therefore, any data about the diversity of ACRL's membership may not be complete. The next step is to identify available data and if it can be used to provide benchmark information.

It was suggested that ACRL demonstrate how it is financially supporting EDI by pulling out those numbers and including them in the infographic.

The committee endorsed the suggestion that the Board endorse further exploration and study by extending our existing EDI work, to include a social justice framework. This social justice framework will include workforce development and training.

16.0 Unfinished business/new business (Allen)

The committee discussed unfinished business and new business as needed.

• Fall Budget & Finance Committee New Member Orientation

Staff will be in touch to schedule the fall virtual orientation.

• FY22 Budget Assumptions

In fall 2020, the committee will review draft assumptions and provide comments in time for Fall Executive Committee meeting (date TBD).

• FY20 Annual report (due late October 2020)

Allen will prepare as committee chair.

• Additional items?

There were no additional items

17.0 Recognition of outgoing Budget & Finance members (Allen)

• Fannie M. Cox

• Alexia Hudson-Ward

• Kevin Wade Merriman

• Jon E. Cawthorne

Meeting was adjourned at 12:02 p.m. Central.



Division-level Committee Year-end Report and Work Plan Template

Each year, ACRL [division-level committees](#) should complete a year-end report and work plan. The **report** section should be completed by the outgoing chair. By **July 31, 2020**, the outgoing chair should post the combined template with only the 2019–2020 report section completed to ALA Connect.

The **work plan** section should be completed by the incoming chair. Committee members, Board liaison, staff liaison should all review and approve the work plan. By **August 15, 2020**, the incoming chair should post the combined template with the 2019–2020 report and 2020–2021 work plan sections completed to ALA Connect. Projects included in a committee's work plan will be implemented September 2020 through June 2021.

| Committee Name & Charge | |
|-------------------------|--|
| Committee Name: | Budget and Finance Committee |
| Charge/Tasks: | <p>Committee name and charge can be found on the Directory of Leadership: http://www.ala.org/acrl/aboutacrl/directoryofleadership/committees</p> <p>Charge/Tasks:</p> <ul style="list-style-type: none"> • To submit annually a recommended budget for the ACRL division (including division publications, the CHOICE budget, the allocation of Long-Term Investment fund income) to the ACRL Board of Directors for action. • To advise the ACRL Board of Directors on its allocation of Friends of ACRL contributions to strategic projects and programs, as well as to consult with the ACRL Board of Directors on fundraising goals and objectives. • To counsel the ACRL Board of Directors on questions regarding all fiscal matters of the division or its publications, including dues levels and fundraising, especially as they relate to alignment with the strategic plan and the Core Commitment to equity, diversity and inclusion. |

| 2019–2020 Leadership (terms: July 1, 2019–June 30, 2021) | |
|--|---------------------------|
| Chair: | Carolyn Henderson Allen |
| Vice-Chair: | |
| Board liaison: | Karen Munro/Jon Cawthorne |
| Staff liaison: | Allison Payne |
| Other leaders: | |

| 2020–2021 Leadership (terms: July 1, 2020–June 30, 2021) | |
|--|-------------------------|
| Chair: | Carolyn Henderson Allen |
| Vice-Chair: | |
| Board liaison: | Jon Cawthorne |
| Staff liaison: | Allison Payne |
| Other leaders: | |

| Report & Work Plan Submission | | | |
|-------------------------------|-------------------------|-------|-------------|
| Year-end report written by: | Carolyn Henderson Allen | Date: | August 2020 |
| Work plan submitted by: | Carolyn Henderson Allen | Date: | July 2020 |

2019–2020 Year-end Report

This report will be included in the committee's official record of activities maintained by the ACRL staff. Brief bulleted lists are suggested for the responses.

1. What were the major projects/activities accomplished by your committee in the 2019–2020 membership year (July 1, 2019 to June 30, 2020)?

VA brief list is suggested here; reference 2019–2020 work plan projects:
 ACRL Strategic Planning and Orientation Session, October 2020
 Discussed budget assumptions and recommended to hold steady the budget for FY 2019-20 based on ALA Finances
 FY2021 Budget to ACRL Board of Directors, ALA Annual 2020 which included an additional \$30,000 for work related to EDI initiatives
 Recommended to Board of Directors to hold steady personal dues based on the effects of COVID19; no increase to student dues

Monitored and discussed the financial outlook for CHOICE
 Discussed SCOE recommendations and opportunities/challenges for change
 Budget and Finance Committee recommended to the Board that a committee be established to highlight the associations work related to social justice and DEI efforts

2. What were the relevant results for your projects?

A brief list is suggested that includes assessment as appropriate (correspond to list above). Be as specific as possible. For example: 300 proposals/applications reviewed, 32 selected; Developed and conducted three podcasts (list podcast titles, speakers, etc.) Reviewed ten standards and guidelines (list titles)

Board of Directors budget approval
 On the fund development side of the budget, added language to include EDI
 Dashboard Metrics approved and will be continued and updated by staff
 VAL reviewed and approved 19 research recipients for funding
 Over 3015 users for Project Outcome/43,305 responses to survey
 7 recipients for ScholComm research grants@ \$5,000 each
 Many of the face to face opportunities were cancelled due to COVID19/staff were agile and created programs online as needed

3. Which if any 2019–2020 projects will continue next year?

The majority of the projects are on-going and will be continued
 Work with the Executive Director to ensure a healthy budget
 Keep the Board of Directors informed of all major changes if any to approved budget
 Hold regular meetings with the committee to ensure continued understanding of budget activity and program changes

Monitor the LTI for sustainability and work with ALA to endure a balanced budget without substantially harming the ACRL programs
Continue to monitor outcomes of CHOICE programs and budget impact

4. What worked well?

The ED and staff are efficient, supportive, and excellent managers
Meetings with Board is helpful and the committee members are supportive
Web based programming, on-line meetings and in-person meetings are handled well with proper access to technology as appropriate
Useful updates related to activities and budget changes

5. What could have worked better?

Not having a pandemic and ALA budget constraints

6. How has the work/activities of your committee demonstrated commitment to equity, diversity, and inclusion, within or beyond ACRL?

The budget supports all the associations' work related to EDI. It is imperative that we manage our resources well to enable success of EDI programs and initiatives today and into the future.

The addition of Social Justice support is vital to the EDI efforts

7. Was there information you could have been provided before starting this project that would have made your work easier?

None

8. What made this work most rewarding (observations/comments/accolades)?

Excellent staff support as stated above. Kudos to all who work at ACRL for their leadership and thoughtful collaboration with the membership, and especially the budget committee.

The support of the Board of Directors has been vital and is appreciated.

9. Any other comments, recommendations, or suggestions?

2020–2021 Work Plan

Please complete this form for each activity that the committee plans to undertake in the 2020–2021 program year. While the form is pre-populated with five activities, it is not required to generate ideas for all five activities. Please only complete this form for the appropriate number of activities that work for your committee. If you need additional sheets, please contact your staff liaison.

| Work Plan Activity #1 | |
|---------------------------|---|
| Activity Name: | Budget Review |
| Brief Description: | Review ACRL and Choice budget annually. |

| Activity #1 Timeline | |
|--|--|
| How long will it take to do this project? | |
| continuous project assigned in charge short-term project that will be completed this membership year multi-year project continuing past June 30, 2021. Expected completion date: <div style="border: 1px solid black; width: 150px; height: 20px; display: inline-block;"></div> | |

| ACRL Plan for Excellence | |
|---|--|
| Check the best goal and objective. | |
| X | Value of Academic Libraries |
| X | Student Learning |
| X | Research and Scholarly Environment |
| X | New Roles and Changing Landscapes |
| X | Core Commitment to Equity, Diversity & Inclusion |
| X | Enabling Programs and Services (education, advocacy, publications, or member engagement) |
| Provide a brief sentence connecting your project to the goal area and objective you selected: | |
| <p>The budget has impact on all the programs and services of the association. Without sound fiscal management, the Plan for Excellence would be marginalized or non-existent.</p> <p>All of the component programs are vital to the membership and funding aids in the work they do benefitting all academic libraries across the U. S. and Canada.</p> | |

| Activity #1 Outline | | | |
|--|--------------------------|--|--|
| Outline the steps and deadlines planned to complete the project. Attach additional sheets if needed. | | | |
| Specific Action | Due Date | Party Responsible | Resources Needed (e.g., financial, tech, staff support) |
| Budget assumptions reviewed and discussed by Budget and Finance Committee | Mid to late October 2020 | B & F Committee, Executive Director, Staff Liaison | Staff Support |
| Draft of FY 2022 budget reviewed at ALA Midwinter Meeting | February 2021 | B & F Committee, Executive Director, Staff Liaison | Staff Support |
| Final review of draft budget and vote by the Committee to recommend a proposed budget to the ACRL Board of Directors | June 2021 | B & F Committee, Executive Director, Staff Liaison | Staff Support |

| Activity #1 Assessment |
|---|
| How will success be measured? |
| Approval of proposed budget by the Board of Directors |

2020–2021 Work Plan

Please complete this form for each activity that the committee plans to undertake in the 2020–2021 program year. While the form is pre-populated with five activities, it is not required to generate ideas for all five activities. Please only complete this form for the appropriate number of activities that work for your committee. If you need additional sheets, please contact your staff liaison.

| Work Plan Activity #2 | |
|---------------------------|---|
| Activity Name: | Monitor CHOICE's financial outlook and new product development |
| Brief Description: | Monitor performance through subscriptions to core publications, ProQuest services, CC Advisor and Advertising/Sponsored Content |

| Activity #2 Timeline | |
|---|--|
| How long will it take to do this project? | |
| continuous project assigned in charge | |
| short-term project that will be completed this membership year | |
| multi-year project continuing past June 30, 2021. Expected completion date: | |

| ACRL Plan for Excellence | |
|--|--|
| Check the best goal and objective. | |
| Value of Academic Libraries | |
| Student Learning | |
| Research and Scholarly Environment | |
| New Roles and Changing Landscapes | |
| Core Commitment to Equity, Diversity & Inclusion | |
| X | Enabling Programs and Services (education, advocacy, publications, or member engagement) |
| Provide a brief sentence connecting your project to the goal area and objective you selected: | |
| Success will be determined by performance and a balanced budget | |

| Activity #2 Outline | | | |
|--|-----------------------------|--|--|
| Outline the steps and deadlines planned to complete the project. Attach additional sheets if needed. | | | |
| Specific Action | Due Date | Party Responsible | Resources Needed (e.g., financial, tech, staff support) |
| Review and discuss Choice financial data at ALA Midwinter and Annual | February 2021 | B & F Committee, Executive Director, Choice Publisher, Staff Liaison | Staff Support |
| Discuss new products and potential revenue streams for Choice at ALA Midwinter and Annual | February 2021 and June 2021 | B & F Committee, Executive Director, Choice Publisher, Staff Liaison | Staff Support |

| Activity #2 Assessment |
|--|
| How will success be measured? |
| Reports, budget reviews, discussions and recommendations will be made to the Board of Directors; new programs/ products are included |

2020–2021 Work Plan

Please complete this form for each activity that the committee plans to undertake in the 2020–2021 program year. While the form is pre-populated with five activities, it is not required to generate ideas for all five activities. Please only complete this form for the appropriate number of activities that work for your committee. If you need additional sheets, please contact your staff liaison.

| Work Plan Activity #3 | |
|---------------------------|---|
| Activity Name: | Continued evaluation of the dashboard tool relative to program outcomes |
| Brief Description: | Budget and membership |

| Activity #3 Timeline | |
|---|--|
| How long will it take to do this project? | |
| continuous project assigned in charge | |
| short-term project that will be completed this membership year | |
| multi-year project continuing past June 30, 2021. Expected completion date: | |

| ACRL Plan for Excellence | |
|--|--|
| Check the best goal and objective. | |
| Value of Academic Libraries | |
| Student Learning | |
| Research and Scholarly Environment | |
| New Roles and Changing Landscapes | |
| Core Commitment to Equity, Diversity & Inclusion | |
| X | Enabling Programs and Services (education, advocacy, publications, or member engagement) |
| Provide a brief sentence connecting your project to the goal area and objective you selected: | |
| Budget and membership | |

| Activity #3 Outline | | | |
|--|---------------------|--|---|
| Outline the steps and deadlines planned to complete the project. Attach additional sheets if needed. | | | |
| Specific Action | Due Date | Party Responsible | Resources Needed (e.g., financial, tech, staff support) |
| Continue to monitor the current dashboard model | Throughout the year | B & F Committee, Executive Director, Staff Liaison | Staff Support |

| Activity #3 Assessment |
|---|
| How will success be measured? |
| On-going assessment of outcomes relative to the programs being measured |

2020–2021 Work Plan

Please complete this form for each activity that the committee plans to undertake in the 2020–2021 program year. While the form is pre-populated with five activities, it is not required to generate ideas for all five activities. Please only complete this form for the appropriate number of activities that work for your committee. If you need additional sheets, please contact your staff liaison.

| Work Plan Activity #4 | |
|---------------------------|--|
| Activity Name: | Review and recommend dues rates for FY 2022 to the ACRL Board of Directors |
| Brief Description: | Ensure the health of the association through continuous and increased membership in all categories |

| Activity #4 Timeline | |
|--|--|
| How long will it take to do this project? | |
| | continuous project assigned in charge |
| X | short-term project that will be completed this membership year |
| | multi-year project continuing past June 30, 2021. Expected completion date: <input type="text"/> |

| ACRL Plan for Excellence | |
|---|--|
| Check the best goal and objective. | |
| | Value of Academic Libraries |
| | Student Learning |
| | Research and Scholarly Environment |
| | New Roles and Changing Landscapes |
| | Core Commitment to Equity, Diversity & Inclusion |
| X | Enabling Programs and Services (education, advocacy, publications, or member engagement) |
| Provide a brief sentence connecting your project to the goal area and objective you selected: | |
| Budget | |
| Activity #4 Outline | |
| Outline the steps and deadlines planned to complete the project. Attach additional sheets if needed. | |

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| Specific Action | Due Date | Party Responsible | Resources Needed (e.g., financial, tech, staff support) |
|--|---------------------|---|---|
| Monitor HEPI data (Higher Education Price Index) | Throughout the year | ACRL Staff reports HEPI to the B & F Committee | Staff Support |
| Discuss HEPI and dues amounts at ALA Midwinter | February 2021 | ACRL Staff reports HEPI to the B & F Committee | Staff Support |
| Review HEPI data and possible dues amounts and develop recommendation for personal member dues for FY 2020 to the ACRL Board of Directors. | June 2021 | ACRL Staff reports HEPI to the B & F Committee | Staff Support |
| Review organizational dues and develop recommendation to Board of Directors | June 2021 | ACRL Staff reports HEPI to the B & F Committee | Staff Support |
| Review organizational dues and develop recommendation to Board of Directors | June 2021 | ACRL Staff reports HEPI to the B & F Committee | Staff Support |

| Activity #4 Assessment |
|--|
| How will success be measured? |
| Board of Directors approval of the FY2022 dues recommendations |

2020–2021 Work Plan

Please complete this form for each activity that the committee plans to undertake in the 2020–2021 program year. While the form is pre-populated with five activities, it is not required to generate ideas for all five activities. Please only complete this form for the appropriate number of activities that work for your committee. If you need additional sheets, please contact your staff liaison.

| Work Plan Activity #5 | |
|---------------------------|---|
| Activity Name: | Friends' disbursements and fundraising activities |
| Brief Description: | Budget |

| Activity #5 Timeline | |
|--|---|
| How long will it take to do this project? | |
| X | continuous project assigned in charge |
| X | short-term project that will be completed this membership year |
| | multi-year project continuing past June 30, 2021. Expected completion date: |

| ACRL Plan for Excellence | |
|---|--|
| Check the best goal and objective. | |
| X | Value of Academic Libraries |
| X | Student Learning |
| X | Research and Scholarly Environment |
| X | New Roles and Changing Landscapes |
| X | Core Commitment to Equity, Diversity & Inclusion |
| X | Enabling Programs and Services (education, advocacy, publications, or member engagement) |
| Provide a brief sentence connecting your project to the goal area and objective you selected: | |
| | |
| Activity #5 Outline | |
| Outline the steps and deadlines planned to complete the project. Attach additional sheets if needed. | |

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| Specific Action | Due Date | Party Responsible | Resources Needed (e.g., financial, tech, staff support) |
|--|----------------------------------|-------------------------------------|--|
| Advise the Board on Friends Funds and fundraising activities | Throughout the year | Executive Director, B & F Committee | Staff Support |
| Advise the Board on the outcome of the ACRL 2021 Conference Scholarship Campaign | As information becomes available | Executive Director, B & F Committee | Staff Support |

| Activity #5 Assessment |
|--|
| How will success be measured? |
| The level of giving and number of scholarships awarded |

2020–2021 Work Plan

Please complete this form for each activity that the committee plans to undertake in the 2020–2021 program year. While the form is pre-populated with five activities, it is not required to generate ideas for all five activities. Please only complete this form for the appropriate number of activities that work for your committee. If you need additional sheets, please contact your staff liaison.

| Work Plan Activity #6 | |
|---------------------------|---|
| Activity Name: | Advise Board of Directors on potential transfers to the Long-Term Investment Fund. |
| Brief Description: | This represents the effort to ensure long term financial strength so that ACRL can continue to provide a wide range of services to members. |

| Activity #6 Timeline | |
|--|---|
| How long will it take to do this project? | |
| X | continuous project assigned in charge |
| X | short-term project that will be completed this membership year |
| | multi-year project continuing past June 30, 2021. Expected completion date: |

| ACRL Plan for Excellence | |
|---|--|
| Check the best goal and objective. | |
| X | Value of Academic Libraries |
| X | Student Learning |
| X | Research and Scholarly Environment |
| X | New Roles and Changing Landscapes |
| X | Core Commitment to Equity, Diversity & Inclusion |
| X | Enabling Programs and Services (education, advocacy, publications, or member engagement) |
| Provide a brief sentence connecting your project to the goal area and objective you selected: | |
| | |
| Budget | |
| | |
| Activity #6 Outline | |
| Outline the steps and deadlines planned to complete the project. Attach additional sheets if needed. | |
| | |

| Specific Action | Due Date | Party Responsible | Resources Needed (e.g., financial, tech, staff support) |
|--|-----------------|--|--|
| Advise the Board of Directors concerning potential transfers from the net asset balance to the Long-Term Investment Fund | June 2021 | B & F Committee, Executive Director | Staff Support |

| Activity #6 Assessment |
|--|
| How will success be measured? |
| Approval of recommendation by the Board of Directors |

2020–2021 Work Plan

Please complete this form for each activity that the committee plans to undertake in the 2020–2021 program year. While the form is pre-populated with five activities, it is not required to generate ideas for all five activities. Please only complete this form for the appropriate number of activities that work for your committee. If you need additional sheets, please contact your staff liaison.

| Work Plan Activity #7 | |
|---------------------------|--|
| Activity Name: | Plan and conduct orientations to Budget and Finance Committee for new committee members and new ACRL Board of Directors members. |
| Brief Description: | To enable a better understanding of how the budget is designed and managed |

| Activity #7 Timeline | |
|--|--|
| How long will it take to do this project? | |
| <input type="checkbox"/> continuous project assigned in charge <input type="checkbox"/> short-term project that will be completed this membership year <input type="checkbox"/> multi-year project continuing past June 30, 2021. Expected completion date: <input type="text"/> | |

| <u>ACRL Plan for Excellence</u> | |
|---|--|
| Check the best goal and objective. | |
| <input type="checkbox"/> Value of Academic Libraries <input type="checkbox"/> Student Learning <input type="checkbox"/> Research and Scholarly Environment <input type="checkbox"/> New Roles and Changing Landscapes <input type="checkbox"/> Core Commitment to Equity, Diversity & Inclusion <input checked="" type="checkbox"/> Enabling Programs and Services (education, advocacy, publications, or member engagement) | |
| Provide a brief sentence connecting your project to the goal area and objective you selected: | |
| Budget <input type="text"/> | |
| Activity #7 Outline | |
| Outline the steps and deadlines planned to complete the project. Attach additional sheets if needed. | |

| Specific Action | Due Date | Party Responsible | Resources Needed (e.g., financial, tech, staff support) |
|--|------------------------|--|--|
| Survey Committee members for availability | August/September, 2020 | ACRL Staff | Staff Support |
| Plan activities for committee members' orientation | August/September, 2020 | B & F Chair, Staff Liaison, Executive Director | Staff Support |
| Hold B & F committee members' orientation | Late September | B & F Chair, Staff Liaison, Executive Director | Staff Support |
| Plan orientation for new Board of Directors members | September 2020 | B & F Chair, Staff Liaison, Executive Director | Staff Support |
| Hold orientation for new Board of Directors members/ SPOS | September 2020 | B & F Chair, Staff Liaison, Executive Director | Staff Support |

| Activity #7 Assessment |
|--------------------------------------|
| How will success be measured? |
| Feedback from Survey of participants |

2020–2021 Work Plan

Please complete this form for each activity that the committee plans to undertake in the 2020–2021 program year. While the form is pre-populated with five activities, it is not required to generate ideas for all five activities. Please only complete this form for the appropriate number of activities that work for your committee. If you need additional sheets, please contact your staff liaison.

| Work Plan Activity #8 | |
|---------------------------|---|
| Activity Name: | Monitor the student membership relative to dues |
| Brief Description: | Budget |

| Activity #8 Timeline | |
|--|---|
| How long will it take to do this project? | |
| X | continuous project assigned in charge |
| X | short-term project that will be completed this membership year |
| | multi-year project continuing past June 30, 2021. Expected completion date: |

| ACRL Plan for Excellence | |
|---|--|
| Check the best goal and objective. | |
| X | Value of Academic Libraries |
| X | Student Learning |
| X | Research and Scholarly Environment |
| X | New Roles and Changing Landscapes |
| X | Core Commitment to Equity, Diversity & Inclusion |
| X | Enabling Programs and Services (education, advocacy, publications, or member engagement) |
| Provide a brief sentence connecting your project to the goal area and objective you selected: | |
| | Retention and new members |
| Activity #8 Outline | |
| Outline the steps and deadlines planned to complete the project. Attach additional sheets if needed. | |

| Specific Action | Due Date | Party Responsible | Resources Needed (e.g., financial, tech, staff support) |
|---|---------------------|--|--|
| Monitoring the number of student members and whether membership is changing in response to discounted student fees. | Throughout the year | B & F Committee, Executive Director, Staff Liaison | Staff support |

| Activity #8 Assessment |
|---|
| How will success be measured? |
| Sustained membership and member increases |

2020–2021 Work Plan

Please complete this form for each activity that the committee plans to undertake in the 2020–2021 program year. While the form is pre-populated with five activities, it is not required to generate ideas for all five activities. Please only complete this form for the appropriate number of activities that work for your committee. If you need additional sheets, please contact your staff liaison.

| Work Plan Activity #9 | |
|---------------------------|--|
| Activity Name: | Info-graphic showing how ACRL uses it funds. |
| Brief Description: | Member engagement; programs and services |

| Activity #9 Timeline | |
|--|--|
| How long will it take to do this project? | |
| | continuous project assigned in charge |
| X | short-term project that will be completed this membership year |
| | multi-year project continuing past June 30, 2021. Expected completion date: <input type="text"/> |

| ACRL Plan for Excellence | |
|---|--|
| Check the best goal and objective. | |
| Value of Academic Libraries | |
| Student Learning | |
| Research and Scholarly Environment | |
| New Roles and Changing Landscapes | |
| Core Commitment to Equity, Diversity & Inclusion | |
| X | Enabling Programs and Services (education, advocacy, publications, or member engagement) |
| Provide a brief sentence connecting your project to the goal area and objective you selected: | |
| Review results of membership activity reported by staff | |
| Activity #9 Outline | |
| Outline the steps and deadlines planned to complete the project. Attach additional sheets if needed. | |

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| Specific Action | Due Date | Party Responsible | Resources Needed (e.g., financial, tech, staff support) |
|---------------------------|------------------------------|---------------------------|--|
| monitor info-graphic data | Review at Mid-winter meeting | B&F Committee, ACRL staff | Staff Support |

| Activity #9 Assessment |
|---|
| How will success be measured? |
| Review outcomes relative to membership is all categories and programs |

2020–2021 Work Plan

Please complete this form for each activity that the committee plans to undertake in the 2020–2021 program year. While the form is pre-populated with five activities, it is not required to generate ideas for all five activities. Please only complete this form for the appropriate number of activities that work for your committee. If you need additional sheets, please contact your staff liaison.

| Work Plan Activity #10 | |
|---------------------------|---|
| Activity Name: | Monitor the level of the net asset balance to make recommendations to the Board of Directors. |
| Brief Description: | Budget |

| Activity #10 Timeline | |
|--|--|
| How long will it take to do this project? | |
| <input type="checkbox"/> continuous project assigned in charge <input type="checkbox"/> short-term project that will be completed this membership year <input checked="" type="checkbox"/> multi-year project continuing past June 30, 2021. Expected completion date: | |

| ACRL Plan for Excellence | |
|--|--|
| Check the best goal and objective. | |
| Value of Academic Libraries | |
| Student Learning | |
| Research and Scholarly Environment | |
| New Roles and Changing Landscapes | |
| Core Commitment to Equity, Diversity & Inclusion | |
| <input checked="" type="checkbox"/> | Enabling Programs and Services (education, advocacy, publications, or member engagement) |
| Provide a brief sentence connecting your project to the goal area and objective you selected: | |
| Ensure continued programming and a healthy association | |
| Activity #10 Outline | |

| Outline the steps and deadlines planned to complete the project. Attach additional sheets if needed. | | | |
|---|--------------------|--------------------------------------|--|
| Specific Action | Due Date | Party Responsible | Resources Needed (e.g., financial, tech, staff support) |
| Ensure the level of the net asset balance is sufficient enable successful programming and making recommendations to the Board of Directors. | ALA Midwinter 2022 | B&F Committee and Executive Director | Staff Support |

| Activity #10 Assessment |
|---|
| How will success be measured? |
| Monitor balances and ensure fiscal programming is managed within budget constraints |

2019–20 Work Plan

Please complete this form for each activity that the committee plans to undertake in the 2019–20 program year. While the form is pre-populated with five activities, it is not required to generate ideas for all five activities. Please only complete this form for the appropriate number of activities that work for your committee. If you need additional sheets, please contact your staff liaison.

| Work Plan Activity #11 | |
|---------------------------|---|
| Activity Name: | ALA Finances and Organizational Effectiveness |
| Brief Description: | Stay abreast of ALA finances, and implications for ACRL. Monitor ALA finances and SCOE recommendations and give input in conjunction with the ACRL Board. If there are recommendations that impact the ACRL budget, work with ACRL staff to update per approved guidelines. |

| Activity #11 Timeline | |
|---|--|
| How long will it take to do this project? | |
| <input type="checkbox"/> continuous project assigned in charge <input type="checkbox"/> short-term project that will be completed this membership year <input checked="" type="checkbox"/> multi-year project continuing past June 30, 2020. Expected completion date: <input type="text"/> | |

| ACRL Plan for Excellence | |
|--|--|
| Check the best goal and objective. | |
| Value of Academic Libraries | |
| Student Learning | |
| Research and Scholarly Environment | |
| New Roles and Changing Landscapes | |
| Core Commitment to Equity, Diversity & Inclusion | |
| <input checked="" type="checkbox"/> | Enabling Programs and Services (education, advocacy, publications, or member engagement) |
| Provide a brief sentence connecting your project to the goal area and objective you selected: | |
| Budget | |

| Activity #11 Outline | | | |
|---|-----------------|---|--|
| Outline the steps and deadlines planned to complete the project. Attach additional sheets if needed. | | | |
| Specific Action | Due Date | Party Responsible | Resources Needed (e.g., financial, tech, staff support) |
| Review Forward Together interim report | ALA MW22 | B&F Committee and Executive Director | Staff Support |
| Meet with BARC liaison | ALA MW21 | B&F Committee and Executive Director | Staff Support |
| Review Forward Together final report | ALA June 2021 | B&F Committee and Executive Director | Staff Support |
| Meet with BARC liaison | ALA June 2021 | B&F Committee and Executive Director | Staff Support |

| Activity #11 Assessment |
|--|
| How will success be measured? |
| ALA financial and SCOE reports are distributed to and reviewed by B&F committee. If there are implications for the ACRL and Choice budgets, committee will discuss and make recommendations. |

2019–20 Work Plan

Please complete this form for each activity that the committee plans to undertake in the 2019–20 program year. While the form is pre-populated with five activities, it is not required to generate ideas for all five activities. Please only complete this form for the appropriate number of activities that work for your committee. If you need additional sheets, please contact your staff liaison.

| Work Plan Activity #12 | |
|---------------------------|--|
| Activity Name: | Core Commitment to Equity, Diversity and Inclusion |
| Brief Description: | Consider how ACRL can financially support its Core Commitment to EDI. Strategically review ACRL's annual budget with consideration to impact of EDI initiatives and programming. Consider adding a Social Justice Component to the EDI Core Commitment strategies |

| Activity #12 Timeline | |
|---|--|
| How long will it take to do this project? | |
| <input type="checkbox"/> continuous project assigned in charge <input type="checkbox"/> short-term project that will be completed this membership year <input checked="" type="checkbox"/> multi-year project continuing past June 30, 2020. Expected completion date: <input type="text"/> | |

| ACRL Plan for Excellence | |
|--|--|
| Check the best goal and objective. | |
| Value of Academic Libraries | |
| Student Learning | |
| Research and Scholarly Environment | |
| New Roles and Changing Landscapes | |
| <input checked="" type="checkbox"/> | Core Commitment to Equity, Diversity & Inclusion |
| Enabling Programs and Services (education, advocacy, publications, or member engagement) | |
| Provide a brief sentence connecting your project to the goal area and objective you selected: | |
| Budget | |

| Activity #12 Timeline | | | |
|---|-----------------|--------------------------------------|--|
| Outline the steps and deadlines planned to complete the project. Attach additional sheets if needed. | | | |
| Specific Action | Due Date | Party Responsible | Resources Needed (e.g., financial, tech, staff support) |
| Review ACRL budget with EDI lens | ALA MW22 | B&F Committee and Executive Director | Staff Support |
| Review ACRL budget with EDI lens, | ALA June 2022 | B&F Committee and Executive Director | Staff Support |

| Activity #12 Assessment |
|--|
| How will success be measured? |
| The committee will monitor the ACRL budget and make recommendations while considering ACRL's Core Commitment to EDI. |

Association of College & Research Libraries
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acrl@ala.org, <http://www.acrl.org>



Budget & Finance Committee Action Form

To: ACRL Budget & Finance Committee
Subject: Confirmation of virtual vote: ACRL and Choice FY21 Budgets
Submitted by: Allison Payne, ACRL Program Manager for Strategic Initiatives
Date submitted: January 21, 2021

Background

The ACRL Budget and Finance Committee typically takes action on a recommendation to the ACRL Board of Directors for ACRL's and Choice's budgets during the ALA Annual Conference. Due to the unknown impact of COVID-19 in June 2020, the ACRL Board and Budget and Finance Committee agreed to postpone their votes until later in the summer when more information might be available. ACRL and Choice staff made revisions based on new projections, and an updated budget was presented to the Board and Budget and Finance Committee in August 2020. The ACRL Budget and Finance Committee, through a [virtual vote](#) held 8/7/2020 – 8/13/2020, approved their recommendation to the ACRL Board of Directors for the FY21 budget as below:

- ACRL Revenues \$3,929,775
- ACRL Expenses \$4,470,639
- ACRL NET (\$540,864)
- Choice Revenues \$2,382,519
- Choice Expenses \$2,375,977
- Choice NET \$6,541

Please note that budgeted total expenses may vary slightly from the final budget approved by the ALA Executive Board in Fall 2020. This variance results from the way ALA's budgeting software manages salaries and benefits. Benefits are calculated as part of total salaries. Previously, each unit's salaries and benefits were self-contained, and any changes only affected that unit. ALA's current software has salaries and benefits integrated across all of ALA. If a salary in another unit changes, the benefits are recalculated across ALA. This means that total benefit expenses will change affecting the final total expense. It should be relatively small, but the Board should be aware of this possible variance.

Electronic submission is preferred for all Board actions. If electronic submission of the entire document is not possible, please send the Action Form to ACRL Program Officer Allison Payne electronically at apayne@ala.org and the remainder in hard copy.

Action Recommended

That the ACRL Budget and Finance Committee confirms its asynchronous virtual vote taken to approve to recommend to the ACRL Board of Directors the ACRL FY21 budget with:

- ACRL Revenues \$3,929,775
- ACRL Expenses \$4,470,639
- ACRL NET (\$540,864)
- Choice Revenues \$2,382,519
- Choice Expenses \$2,375,977
- Choice NET \$6,541

Strategic Goal Area Supported

Please add additional sheets as needed to explain. Select the goal area that will be affected most by this action.

☐ Value of Academic Libraries

Goal: Academic libraries demonstrate alignment with and impact on institutional outcomes.

☐ Student Learning

Goal: Advance innovative practices and environments that transform student learning.

☐ Research and Scholarly Environment

Goal: Librarians accelerate the transition to more open and equitable systems of scholarship.

☐ New Roles and Changing Landscapes

Goal: Academic and research library workforce effectively navigates change in higher education environments.

☒ Enabling Programs and Services

ACRL programs, services, and publications that target education, advocacy, and member engagement.

Fiscal and Staffing Impact

Motion

☐ Above recommendation moved

☐ No motion made

☐ Motion revised (see motion form)

Action Taken

☐ Motion Approved

☐ Motion Defeated

☐ Other:

Electronic submission is preferred for all Board actions. If electronic submission of the entire document is not possible, please send the Action Form to ACRL Program Officer Allison Payne electronically at apayne@ala.org and the remainder in hard copy.

Association of College & Research Libraries
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To: ACRL Budget and Finance Committee, ACRL Board of Directors
 From: Kara J. Malenfant, ACRL Interim Executive Director
 Date: January 20, 2021
 Re: FY20 and FY21 estimates and outlook

Generally, in January, staff present the ACRL Budget and Finance Committee with the results of the FY20 close as well as first quarter FY21 actuals. This year, there are delays in financial reporting. As described on January 19, 2021 during the joint ALA Budget Analysis and Review Committee / Finance and Audit Committee Meeting, the FY20 audit is underway and the focus now is on FY21 financial reports. After ALA finance closes FY20, it is expected that quarterly reporting will resume on a delayed timeline for FY21.

FY20 Estimated Ending Net Asset Balance

The most current information available from ALA accounting for FY20 actual financials is from April 2020 for a fiscal year which ended August 31, 2020. Therefore, based on manually compiling data (sales, subscriptions, registration, membership renewal, etc.) from other available sources, staff have estimated changes to ACRL's FY20 financial performance as follows:

| ACRL TOTAL | FY20 Budget | FY20 Estimated | \$ Variance from Budget |
|------------------------------------|------------------------|---------------------------|------------------------------------|
| Beginning net asset balance | \$3,311,824 | \$3,311,824 | \$0 |
| Revenues | \$2,572,017 | \$1,780,274 | (\$791,743) |
| Expenses | \$3,492,644 | \$2,838,389 | (\$654,255) |
| NET | (\$920,627) | (\$1,058,115) | (\$137,488) |
| Ending net asset balance | \$2,391,197 | \$2,253,709 | (\$137,488) |

The largest shifts in both revenues and expenses were seen for the three main revenue streams: education (Immersion, RBMS conference, and licensed workshops were cancelled), publications (book and ad sales declined), and membership. Further savings from payroll are estimated as follows:

- Salary and benefits due to executive director retirement (estimated \$40,000).
- Salary for 5-days of furlough August 2020 (estimated \$21,000).
- Paycheck Protection Program (PPP), to be credited when loan is forgiven. (estimated range \$108,000-\$180,000. Per federal guidance, loan amount can be forgiven if at least 60% of the proceeds were spent on payroll costs. Estimated ACRL salary and

employee portion of benefits during 8-week covered period is approximately \$180,000, therefore 60% = \$108,000.).

Taking these further payroll savings into account, the FY20 ending net asset balance could be \$2,422,709 or higher, which is greater than budgeted. This is a very provisional number, however, which may change greatly once we have actual financial results covering May 1-August 31, 2020.

FY21 Financial Projections

As a reminder, for FY21 ALA and its divisions used the same budget assumptions planning an overall 23% decline in revenue from that which was budgeted in FY20 due to the economic impact of the pandemic. The most current information available from ALA accounting for FY21 actual financials is for one month, September 2020. Again, based on manually compiling projections from other available sources of data, staff estimate that ACRL's overall financial performance in the first quarter of FY21 (September 1-November 30, 2020) is in line with budget. Specifically, we estimate:

- Gross advertising revenue for C&RL is down approximately (\$149) or 6% from budget.
- Gross print and online advertising revenue for C&RL News is up approximately \$1,901 or 5% from budget.
- Gross recruitment advertising revenue for C&RL News is up approximately \$6,019 or 8.4% from budget.
- Gross print and online advertising revenue for RBM is down approximately (\$460) or 8% from budget.
- Sales for non-serial publications are down approximately (\$12,573) or 19% from budget. (*Note: 3 of 14 titles of the fiscal year are now published.*)
- Net revenue for ACRL statistics program is up approximately \$6,421 or 1.2% from budget.
- Membership revenue appears to be tracking close to budget. (*Note: Based on informal ALA data.*)
- Licensed Workshops are on budget, which assumed no in-person workshops through remainder of calendar 2020.
- e-Learning revenue appears to be tracking close to budget.
- Expenses for leadership council are higher than budgeted due to facilitation costs for virtual leadership council 3-part series.

For future quarters of FY21 we currently project:

- Modest net for the ACRL 2021 Conference recognized in Q3, in line with what was budgeted. (*Notes: The switch from in-person to virtual means revenue is assessed at 50% of the overhead rate, per the operating agreement. Because the ACRL Conference has a two-year cycle, we must look at the budget over a two-year period. The FY21 projected net will not fully cover planning costs incurred in FY20 but will be close.*)
- Modest net for RBMS 2021 recognized in Q4, in line with what was budgeted.
- Savings of \$21,000 due to cancelled travel for staff and officers (business meetings with associations, potential donors, governmental agencies, Chapter visits)
- Savings of \$20,500 due to cancelled in person Board Strategic Planning and Orientation Session in advance of ACRL2021.

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- Savings of \$45,000 for payroll in Q2 (Jan-Mar) and Q3 (April-June) while the E.D. search continues.
- Additional savings for in person meetings may be realized in Q4 depending on format chosen for ALA AC21.

ACRL staff will continue to carefully monitor actual expenses and revenue, to the extent that financial reports allow. Containing costs in real time will be crucial over the coming months given the fluid nature of the broader economic context.

Choice FY21

See Doc 5.0 Choice Financial Performance Sep to Dec 2020.

CHOICE YEAR-TO-DATE FINANCIAL PERFORMANCE

September-December 2020

Discussion of Choice performance through the first four months of fiscal 2021 has been severely handicapped by the lack of financial reporting from ALA Finance. In the discussion that follows, revenue information is derived from internal Choice financial tools. While reliable, they do not constitute the official financial positions of the American Library Association.

Unfortunately, in the absence of ALA financial reports, we cannot give a reliable accounting of our spending during this period.

Subscriptions: The Canary in the Coal Mine

The effects of COVID-19 did not manifest themselves at once on subscriptions to *Choice Reviews* or *Choice* magazine. During the early months of the pandemic (roughly, March to June, 2020), libraries needed time to analyze its effects on their own resources, and by the time the disease provoked a national shutdown, most subscription decisions for the academic year had already been made. Even had there been a sudden change in new or renewal subscriptions in these early months, it would not have had an immediate effect on earned revenue, as subscription revenue is not recognized (“earned”) in a lump sum but is amortized in equal monthly amounts over the term of the subscription, effectively buffering it from the effects of any short-term change.

But if earned income does not reliably reflect abrupt changes in our subscription business, monthly cash receipts do. They are our version of the canary in the coal mine, providing reliable information in the short term on new and renewal subscriptions.

During the last five months of fiscal 2020, cash receipts for both print and online were down 17% over the same months a year earlier. This decline was concerning, but it was not conclusive. Cash receipts in the latter half of the fiscal year often vary considerably from month to month, and changes of this magnitude had been seen before.

The first four months of FY21, however, have brought more clarity to the situation. In a typical fiscal year, 55% of the cash paid for *Choice Reviews* and 75% of the cash for *Choice* magazine is paid during the period September to December. So it is significant that FY21 cash receipts during this period are running 14% and 34.5%, respectively, below last year. By way of comparison, in FY20, a year of “normal” declines, these publications each suffered declines of only 8.25% versus prior year during the same four-month period.

Table 1: Choice Magazine YTD Cash Receipts¹

| | FY 19 | | FY 20 | | FY 21 | | Year to Date Cash | |
|------|---------|---------|---------|---------|---------|---------|-------------------|-----------|
| | Monthly | YTD | Monthly | YTD | Monthly | YTD | FY20/FY19 | FY21/FY20 |
| Sept | 5,130 | 5,130 | 2,565 | 2,565 | 5,352 | 5,352 | (50.00%) | 108.65% |
| Oct | 16,460 | 21,590 | 17,065 | 19,630 | 9,216 | 14,568 | (9.08%) | (25.79%) |
| Nov | 229,586 | 251,176 | 26,463 | 46,093 | 17,955 | 32,523 | (81.65%) | (29.44%) |
| Dec | 50,122 | 301,298 | 230,351 | 276,444 | 148,606 | 181,129 | (8.25%) | (34.48%) |

¹ The large December payments are “ganged” subscription renewals from EBSCO, which serves as subscription agent for many libraries.

Table 2: Choice Reviews YTD Cash Receipts

| | FY 19 | | FY 20 | | FY 21 | | Year to Date Cash | |
|------|---------|---------|---------|---------|---------|---------|-------------------|-----------|
| | Monthly | YTD | Monthly | YTD | Monthly | YTD | FY20/FY19 | FY21/FY20 |
| Sept | 30,188 | 30,188 | 26,902 | 26,902 | 22,316 | 22,316 | (10.89%) | (17.05%) |
| Oct | 42,877 | 73,065 | 42,149 | 69,051 | 40,583 | 62,899 | (5.49%) | (8.91%) |
| Nov | 226,836 | 299,902 | 184,485 | 253,536 | 42,611 | 105,510 | (15.46%) | (58.38%) |
| Dec | 64,574 | 364,476 | 80,949 | 334,485 | 182,342 | 287,852 | (8.23%) | (13.94%) |

In the five-year projection of Choice financials I prepared in July of 2020, earned revenue for *Choice Reviews* and *Choice* magazine was forecast to decline 2% and 8% annually, consistent with historical trends. Given the cash receipts we are seeing now, the actual declines will be steeper than originally projected. So far this year, both publications are recording earned income declines of greater than 7.5%. Please keep in mind that these figures *do not* reflect recent declines in new or renewal subscriptions.

Table 3: Choice Magazine YTD Earned Income

| | FY 19 | | FY 20 | | FY 21 | | Year to Date Earned | |
|------|----------|---------|----------|---------|---------|---------|---------------------|-----------|
| | Monthly | YTD | Monthly | YTD | Monthly | YTD | FY20/FY19 | FY21/FY20 |
| Sept | \$35,977 | 35,977 | \$30,023 | 30,023 | 32,329 | 32,329 | (16.55%) | 7.68% |
| Oct | \$36,106 | 72,083 | \$30,735 | 60,758 | 32,423 | 64,752 | (15.71%) | 6.57% |
| Nov | \$35,929 | 108,012 | \$35,319 | 96,077 | 32,141 | 96,893 | (11.05%) | 0.85% |
| Dec | \$33,545 | 141,557 | \$41,027 | 137,104 | 29,795 | 126,688 | (3.15%) | (7.60%) |

Table 4: Choice Reviews YTD Earned Income

| | FY 19 | | FY 20 | | FY 21 | | Year to Date Earned | |
|------|----------|---------|----------|---------|---------|---------|---------------------|-----------|
| | Monthly | YTD | Monthly | YTD | Monthly | YTD | FY20/FY19 | FY21/FY20 |
| Sept | \$55,400 | 55,400 | \$54,553 | 54,553 | 49,422 | 49,422 | (1.53%) | (9.40%) |
| Oct | \$55,516 | 110,916 | \$54,221 | 108,773 | 51,765 | 101,187 | (1.93%) | (6.97%) |
| Nov | \$56,477 | 167,393 | \$54,614 | 163,387 | 52,034 | 153,221 | (2.39%) | (6.22%) |
| Dec | \$54,063 | 221,456 | \$52,503 | 215,890 | 45,826 | 199,047 | (2.51%) | (7.80%) |

[Resources for College Libraries](#): ProQuest remits 30% of net RCL sales to Choice, payable quarterly. For FY21, the first installment was for \$46,719.50, 10.5% below the first-quarter payment made a year ago.

Advertising and Sponsored Content

In reporting revenue from advertising and sponsored content revenue we have the advantage of being able to track gross revenue (that is, income before commissions or royalty payments to ACRL) both for services already delivered and for services under contract for delivery later in the year. Thus, in the notes that follow, *full-year bookings* refers to all gross income, either paid or under contract through the end of the fiscal year, as of 5 January 2021. That number can and will grow as further sales are made in the eight months remaining in the fiscal year. *Year-over-year income*, on the other hand, compares gross income received or payable in the first four months of FY21 to that of the same period in FY20. Finally, references to *budget* are to full-year FY21 budgeted revenue.

Again this year we are seeing strong growth in income from webinars and podcasts offset by steep declines in both print and digital ads. Through December, year-over-year gross income from all sources

is running almost 18% ahead of last year. Full-year bookings currently stand at \$524,313, or 80% of budget, with eight selling months remaining.

Table 5: Gross FY21 Advertising Bookings

| Item | September | October | November | December | January | February | March | April | May | June | July | August |
|------------|-----------|-----------|-----------|-----------|-----------|------------|------------|------------|-------------|--------------|--------------|--------------|
| FY20 Month | \$56,113 | \$80,148 | \$70,448 | \$54,913 | \$48,725 | \$43,775 | \$70,290 | \$58,319 | \$57,140 | \$66,585 | \$58,450 | \$36,125 |
| FY21 Month | \$ 99,910 | \$ 71,155 | \$ 75,325 | \$ 61,200 | \$ 54,315 | \$ 31,675 | \$ 44,691 | \$ 35,050 | \$ 22,675 | \$ 9,650 | \$ 5,542 | \$ 13,125 |
| Month Var. | \$43,798 | (\$8,993) | \$4,878 | \$6,288 | \$5,590 | (\$12,100) | (\$25,599) | (\$23,269) | (\$34,465) | (\$56,935) | (\$52,908) | (\$23,000) |
| FY20 YTD | \$56,113 | \$136,260 | \$206,708 | \$261,620 | \$310,345 | \$354,120 | \$424,410 | \$482,729 | \$539,869 | \$606,454 | \$664,904 | \$701,029 |
| FY21 YTD | \$99,910 | \$171,065 | \$246,390 | \$307,590 | \$361,905 | \$393,580 | \$438,271 | \$473,321 | \$495,996 | \$505,646 | \$511,188 | \$524,313 |
| YTD Var | \$ 43,798 | \$ 34,805 | \$ 39,683 | \$ 45,970 | \$ 51,560 | \$ 39,460 | \$ 13,861 | \$ (9,408) | \$ (43,873) | \$ (100,808) | \$ (153,716) | \$ (176,716) |
| Y/Y % Var | 178.05% | 125.54% | 119.20% | 117.57% | 116.61% | 111.14% | 103.27% | 98.05% | 91.87% | 83.38% | 76.88% | 74.79% |

Specifically, by product or platform:

Webinars: Full-year bookings for our sponsored webinars are \$201,450, better than budget by more than 7%. We have ample room left in our production schedule and are actively prospecting for more sponsorships.

Podcasts: Full-year bookings for The Authority File already stand at \$34,550, beating budget by 15% and ahead of full-year FY20 revenue by \$2,500.

White Papers: We have delivered one white paper (\$23,000) this fiscal year and are prospecting for a sponsor for a second study in order to meet budget of \$40,000.

Newsletters and eblasts: Full-year bookings of \$125,190 are at 78% of budget and are running 57% ahead of last year through December.

Choice Reviews: Full-year bookings of \$22,290 are at 74% of budget but are significantly lower than a year ago. Through December, year-over-year gross income is only 55% of last year. Despite this, we expect to meet or beat budget for this product by year's end.

Choice magazine: The carnage continues. Through December, year-over-year income for "space" (print) ads in *Choice* magazine is only two-thirds that of a year ago. Our full-year budget is \$200,000, and we expect to miss that target by as much as \$50,000. Compare this to four years ago, when full-year gross revenue was \$447,000.

Overall, on the strength of our media/sponsored-content lines, we are forecasting end-of-year gross revenue for all advertising to be almost exactly on budget of \$660,000.

Licensing

We are handicapped in our ability to report receipt of licensing revenues, as most payments are made directly to ALA via ACH. ALA Finance does not report receipt of these monies to us unless prompted, and in the absence of financial reporting from ALA, we have no definitive information as to whether, when received, they have been properly credited to our account. That said, licensing is governed by contract and thus provides a relatively predictable stream of revenue. We believe that YTD revenues are roughly "on-budget" and level with a year ago. With no cancellations of our contracts up to this point, FY21 licensing revenues should closely track the budgeted \$480,268.

Other Revenue

These diverse revenues arrive intermittently throughout the year, and thus year-over-year comparisons are difficult to make. In the one category where it is relatively easy to track ongoing revenues, the news

is disappointing. Through December, revenue from the sale of “remaindered” (unreviewed) books is at \$11,269, a drop of 42% over a year ago.

Summing Up

Largely on the strength of the twenty-five furlough days this fiscal year—reducing salaries by almost 10%—Choice had budgeted for a modest (\$6,541) surplus for fiscal 2021. On the revenue side, we expect to be on or close in our advertising and licensing lines but will miss subscription targets by as much as 5% (by the roughest of estimates). Because we have no expense figures on which to base a calculation, net revenue cannot be reliably forecast.

On November 16, 2020, the ACRL Board of Directors approved the ACRL Budget & Finance Committee's recommendation for the FY22 Assumptions for ACRL and Choice. Presented again for ease of reference.



FY2022 Budget Assumptions

ACRL develops budget assumptions annually to guide staff in preparing annual project budgets. ACRL's budget is mission-driven and should provide sufficient revenues to support the strategic initiatives outlined in the [ACRL Plan for Excellence](#), including initiatives related to its Core Commitment to Equity, Diversity, and Inclusion (EDI). This is accomplished through a blend of programs and services, some of which generate net revenues, e.g., ACRL professional development, especially its biennial conference, and others that the association expects to support, e.g., advocacy, member services, etc.

The ACRL Budget & Finance Committee reviewed these draft assumptions on November 5, 2020. The Board will review, suggest revisions as needed, and approve the assumptions below at its 2020 Fall Board Virtual Meeting on November 16, 2020. Based on the approved budget assumptions, ACRL staff will prepare the preliminary FY22 budget for review by the Budget & Finance Committee at their winter meeting (anticipated near or during the 2021 ALA Midwinter Meeting, January 22-26).

General Overview: The economic climate and U.S. higher education

As we begin to prepare the FY22 budget for ACRL, the global economic outlook is largely influenced by the effects of the COVID-19 pandemic. The World Bank states that, "Current projections imply that the COVID-19 global recession will be the fourth (of eleven) deepest in this period and the most severe since the end of World War II."¹ Global GDP contraction is projected by the International Monetary Fund at -4.9%², the World Bank at -5.2%¹, and the Organization for Economic Co-operation and Development between -6% to -7.6%³. Although the U.S. Economy rebounded in the third quarter of 2020 (at an annual

¹ The World Bank, "Pandemic, Recession: The Global Economy in Crisis," June 2020. Accessed September 10, 2020. <https://www.worldbank.org/en/publication/global-economic-prospects>

² International Monetary Fund, "World Economic Outlook Update, June 2020: A Crisis Like No Other, An Uncertain Recovery," June 2020. Accessed September 9, 2020. <https://www.imf.org/en/Publications/WEO/Issues/2020/06/24/WEOUpdateJune2020>.

³ OECD, "OECD Economic Outlook, June 2020: The world economy on a tightrope," June 2020. Accessed September 10, 2020. <http://www.oecd.org/economic-outlook/june-2020/>

rate, GDP grew by 33.1 percent from July through September)⁴, economist do not expect this quarter's growth to continue for the fourth quarter. While it is expected that FY22 will be largely influenced by the effects of the 2020 global pandemic, other current events, including the November 2020 US election, racial justice movement, extreme weather events⁵, and wealth inequality⁶, will also influence the economic climate and outlook. The effects of the pandemic are expected to impact the economy for years⁷, and the global outlook is dependent on many unknown factors, including a potential new stimulus plan from Congress, the development and rollout of a vaccine and improved treatment, potential subsequent waves of the SARS-CoV-2 virus, and changing consumer behavior.

Higher education has been impacted by the pandemic, and the full extent is yet to be known. Before the pandemic, state spending on public colleges and universities was already well below the historical levels prior to the Great Recession of 2008-09.⁸ Insider Higher Ed reported that, "State funding nationwide is nearly 9 percent below pre-Great Recession levels and 18 percent below where it was before the 2001 tech bust."⁹ Although "most Americans believe state spending for public universities and colleges has increased or at least held steady over the last 10 years," in fact, "states have collectively scaled back their annual higher education funding by \$9 billion during that time, when adjusted for inflation."¹⁰ Despite public perception, it is estimated that, "the financial impact of the pandemic on students and institutions would total at least \$120 billion."¹¹ Higher ed is considering and has implemented a number

⁴ U.S. Department of Commerce, Bureau of Economic Analysis, "Gross Domestic Product, Third Quarter 2020 (Advance Estimate)" October 29, 2020. <https://www.bea.gov/index.php/news/2020/gross-domestic-product-third-quarter-2020-advance-estimate> Accessed October 31, 2020.

⁵ University of Cambridge, "New approaches to help businesses tackle climate change," February 26, 2020. Accessed September 29, 2020. <https://www.cam.ac.uk/research/news/new-approaches-to-help-businesses-tackle-climate-change>

⁶ Juliana Menasce Horowitz, Ruth Igielnik, Rakesh Kochhar. "Trends in income and wealth inequality," Pew Research Center. January 9, 2020. Accessed September 28, 2020. <https://www.pewsocialtrends.org/2020/01/09/trends-in-income-and-wealth-inequality/>

⁷ Òscar Jordà, Sanjay R. Singh, and Alan M. Taylor. "The Long Economic Hangover of Pandemics," Finance & Development. International Monetary Fund. June 2020, Volume 57, Number 2. Accessed September 9, 2020. <https://www.imf.org/external/pubs/ft/fandd/2020/06/long-term-economic-impact-of-pandemics-jorda.htm>

⁸ Michael Mitchell et. al., "Unkept Promises: State Cuts to Higher Education Threaten Access and Equity Reduced Quality," *Center on budget and Policy Priorities*, October 4, 2018, <https://www.cbpp.org/research/state-budget-and-tax/unkept-promises-state-cuts-to-higher-education-threaten-access-and>. Accessed November 5, 2019.

⁹ Emma Whitford. "Public Higher Ed Funding Still Has Not Recovered From 2008 Recession," *Inside Higher Ed*, May 5, 2020, <https://www.insidehighered.com/news/2020/05/05/public-higher-education-worse-spot-ever-heading-recession>. Accessed September 11, 2020.

¹⁰ Jon Marcus. "Most Americans don't realize state funding for higher ed fell by billions," *The Hechinger Report*, February 26, 2019. <https://www.pbs.org/newshour/education/most-americans-dont-realize-state-funding-for-higher-ed-fell-by-billions>. Accessed November 5, 2019.

¹¹ Kery Murakami. "Colleges: Financial Toll of Coronavirus Worse Than Anticipated," September 29, 2020. Accessed September 29, 2020. <https://www.insidehighered.com/quicktakes/2020/09/29/colleges-financial-toll-coronavirus-worse-anticipated>

of cost savings measures, including tuition discounts to increase student enrollment and overall revenue, borrowing from endowments, and seeking additional federal and state funding.

The projected federal growth has gone from a projected 2.3% increase for 2020 to an 8.6% decrease in 2021.^{12 13} The Higher Education Price Index (which projects major cost factors for colleges and universities) is forecasting a 2.2% decrease in 2020, which is a decline from the estimated 2.6% increase from a year ago 2019.^{14 15} It should be noted that, unlike after previous economic downturns, state spending on higher education did not bounce back after the 2008 recession.”¹⁶ In the last ten years, state funding has decreased by \$9 billion when adjusted for inflation, and “state appropriations per full-time student have fallen from an inflation-adjusted \$8,489 in 2007 to \$7,642 in 2017.”¹⁷ Decreased state funding is a trend, as funding for public two- and four-year colleges remains well below pre-recession levels in almost every state and in the school year ending in 2018, funding was more than \$7 billion below its 2008 level, after adjusting for inflation. Without considering inflation, state fiscal support for higher education grew by just 1.6 percent in 2018, according to the most recent Grapevine survey which noted that the level of support is “down sharply from a 4.2 percent increase last year and represents the lowest annual growth in the last five years.”¹⁸ “In only six states have higher education budgets returned to or surpassed their pre-recession levels; in 19 states, expenditures per student are at least 20 percent lower than before the recession.”¹⁹ To cope with these cuts, institutions have raised tuition and made deep cuts to programs and services, reducing access to college education for some and calling into

¹² “An Update to the Economic Outlook: 2019 to 2029,” *Congressional Budget Office*, August 21, 2019, <https://www.cbo.gov/publication/56542>.

¹³ “An Update to the Budget Outlook: 2020 to 2030,” *Congressional Budget Office*, September 2020, <https://www.cbo.gov/publication/55551>.

¹⁴ Higher Education Price Index (HEPI) Estimate for June 2020,” *Commonfund*, June 26, 2020. Accessed on September 28, 2020. <https://www.commonfund.org/index/higher-education-price-index-hepi-estimate-for-june-2020>.

¹⁵ “Higher Education Price Index (HEPI) Estimate for August 2019,” *Commonfund*, September 4, 2019. Accessed on September 24, 2019. <https://www.commonfund.org/news-research/index/hepi-estimate-august-2019/>.

¹⁶ Luba Ostashevsky, “As economy rebounds, state funding for higher education isn’t bouncing back,” *PBS News Hour*, September 14, 2016, <http://www.pbs.org/newshour/updates/economy-rebounds-state-funding-higher-education-isnt-bouncing-back/>.

¹⁷ Jon Marcus, “Most Americans don’t realize state funding for higher ed fell by billions,” *PBS News Hour*, February 26, 2019, <https://www.pbs.org/newshour/education/most-americans-dont-realize-state-funding-for-higher-ed-fell-by-billions>.

¹⁸ Rick Seltzer, “‘Anemic’ State Funding Growth,” *Chronicle of Higher Education*, October 23, 2018. <https://www.insidehighered.com/news/2018/01/22/state-support-higher-ed-grows-16-percent-2018>.

¹⁹ Jeffrey Selinger, “States’ decision to reduce support for higher education comes at a cost,” *Washington Post*, September 8, 2018, accessed October 24, 2018. https://www.washingtonpost.com/education/2018/09/08/states-decision-reduce-support-higher-education-comes-cost/?noredirect=on&utm_term=.4f55fd302b14

question the quality of the program remaining.²⁰ Financial challenges face higher education as public investment and tuition revenue are on the decline while labor and facility costs continue to rise²¹.

In a recent survey of college and university presidents, “55 percent of presidents described their institution as offering ‘predominantly online, with some in-person instruction.’”²² As institutions move from face-to-face to virtual classrooms, some students are expecting lowered tuition rates.²³ Some institutions have responded to this request by reducing tuition between 10% to 61%, delaying tuition hikes, adding incentives, and/or removing activity fees.^{24, 25} A handful of colleges are offering a free year of tuition.⁹ It is unknown how long the shift to virtual learning will be necessary or if this will be a lasting trend, but according to the Brookings Institution,²⁶ it is predicted that virtual and hybrid learning may continue as an option after the pandemic ends. Depending on the outcome of the US presidential elections, college tuition could become more affordable to students.²⁷ Candidate Biden has proposed making public college tuition-free for families earning \$125,000 or less “through a partnership, whereby the federal government would use funding to incentivize states to invest in their higher education institutions to eliminate tuition at those schools.”²⁸ Although total enrollment in degree-granting postsecondary institutions increased 27 percent from 2000 to 2018 (from 13.2 million to 16.6 million students), it was projected to increase by only 2 percent between 2018 and 2029 (from 16.6 million to

²⁰Ibid.

²¹ Chronicle of Higher Education (2019) Beyond Budgets, <https://connect.chronicle.com/ByndBdgtsRT19>

²² Jonathan Turk, Maria Claudia Soler Salazar, Anna Marie Ramos. “College and University Presidents Respond to COVID-19 2020 Fall Term Survey,” *American Council on Education*, October 8, 2020, <https://www.acenet.edu/Research-Insights/Pages/Senior-Leaders/College-and-University-Presidents-Respond-to-COVID-19-2020-Fall-Term.aspx>

²³ Abigail Hess. “More than 93% of U.S. college students say tuition should be lowered if classes are online,” *CNBC*, July 27, 2020, <https://www.cnn.com/2020/07/27/93percent-of-college-students-say-tuition-should-be-cut-for-online-classes.html>. Accessed September 11, 2020.

²⁴ Lilah Burke. “Rebates and Reversals,” *Insider Higher Ed*, July 24, 2020, <https://www.insidehighered.com/news/2020/07/24/some-colleges-discount-tuition-prices-online-fall>. Accessed September 11, 2020.

²⁵ Lilah Burke. “More Tuition Cuts,” *Inside Higher Ed*, August 14, 2020, <https://www.insidehighered.com/news/2020/08/14/colleges-continue-slash-tuition-response-pandemic>. Accessed September 11, 2020.

²⁶ John Villasenor. “Online college classes are here to stay. What does that mean for higher education?” *Brookings Institution*, June 1, 2020, <https://www.brookings.edu/blog/techtank/2020/06/01/online-college-classes-are-here-to-stay-what-does-that-mean-for-higher-education/>. Accessed September 11, 2020.

²⁷ Jillian Berman. “How a President Biden or a President Trump could affect the student-debt crisis and college affordability,” *MarketWatch*, September 21, 2020, <https://www.marketwatch.com/story/how-a-president-biden-or-a-president-trump-could-affect-the-student-debt-crisis-and-college-affordability-11600702994>. Accessed October 30, 2020.

²⁸ Jillian Berman. “Joe Biden’s free college plan could pay for itself within 10 years, Georgetown University analysis says,” *MarketWatch*, October 8, 2020, <https://www.marketwatch.com/story/new-analysis-estimates-the-financial-cost-and-benefits-of-bidens-free-college-plan-11601962724>. Accessed October 30, 2020.

17.0 million students).²⁹ This number is in line with high school graduation rate projections, which show the number of high school graduates increasing by 3% between 2014 and 2025.³⁰ A recent figure from Fitch Ratings, “cited preliminary data indicating enrollment across U.S. colleges and universities fell 3% this fall (2020) versus last year,” which is better than, “a 5 percent to 10 percent decline Fitch had been expecting.”³¹ Given the current economy, that increase may accelerate as past trends show that “enrollment increases rapidly during economic downturns. At the same time, state funding decreases and tuition rises at a faster rate”³². Whether enrollments increase or decrease next fall, it is unlikely that higher education will see a substantive increase in its funding, absent a new federal tuition-free program, which typically translates to no more or less funding for academic libraries.

Economic climate and academic libraries

Before the pandemic, ACRL membership numbers were on a slow but steady decline, which is in part due to the closing of institutions that have an impact on both ACRL’s organizational and personal members. Closures are declining, but there are still a significant number of institutions that close each year. In 2019, there were 543 closed postsecondary institutions in the US; in 2018, 711; in 2017, 947; in 2016, 1,111.³³ According to the data through September 7, 2020, 129 institutions closed in 2020. The workforce is aging, and the pool of potential academic librarians is in decline as evidenced by the drop in MLIS degrees awarded. Since the decline began in 2010-11, MLS degrees decreased from 7,729 to 4,843 in 2016-17 or by -37%.³⁴ There was a slight 2% increase in MLS degrees granted between 2016-17 and 2017-18.¹⁸ Of the placements between 2013 and 2019, the number of placements in academic libraries decreased from 347 to 206, or by 41%.^{35, 36} The decline during and after the 2008 recession may be stabilizing, as the U.S. Bureau of Labor Statistics projects a 5% increase job outlook, which is higher than

²⁹ U. S. Department of Education: National Center for Education Statistics, “The Condition of Undergraduate Enrollment,” (May 2020). Accessed September 24, 2020. https://nces.ed.gov/programs/coe/indicator_cha.asp

³⁰ Western Interstate Commission for Higher Education, “Overall Graduate High School Trends,” Accessed September 20, 2019. <https://knocking.wiche.edu/nation-region-profile/>

³¹ Rick Seltzer. “Fitch: Negative Pressures Continue Into 2021 for Higher Ed.” *Insider Higher Ed*, October 29, 2020, <https://www.insidehighered.com/quicktakes/2020/10/29/fitch-negative-pressures-continue-2021-higher-ed>

³² State Higher Education Executive Officers Association. “State Higher Education Finance 2019 Report” Spring 2020 <https://shef.sheeo.org/> Accessed October 31, 2020.

³³ U. S. Department of Education, Office of Federal Student Aid, “Closed School Weekly/Monthly Reports,” Accessed September 24, 2020. <https://www2.ed.gov/offices/OSFAP/PEPS/closedschools.html>

³⁴ Institute of Education Sciences NCES, “Master’s degrees conferred by postsecondary institutions, by field of study: Selected years, 1970-71 through 2017-18,” accessed September 24, 2020, https://nces.ed.gov/programs/digest/d19/tables/dt19_323.10.asp?current=yes

³⁵ Stephanie L. Maatta, “Placements & Salaries 2013: Explore All the Data.” *Library Journal*, October 17, 2013, accessed September 24, 2020. <https://www.libraryjournal.com/?detailStory=explore-all-the-data-2013>

³⁶ Suzie Allard, “Jobs by Region: Placements & Salaries 2019.” *Library Journal*, October 10, 2019, accessed September 24, 2020, <https://www.libraryjournal.com/?detailStory=Jobs-By-Region-Placements-Salaries-2019>

the 4% job outlook for all occupations.³⁷ While job growth is indicated as fast as average again, it is a decline from the 6% growth listed in 2019 and the 9% in 2018.

Another factor that could influence the size of ACRL's membership is whether academic libraries are requiring those they hire to hold MLIS degrees. Anecdotally, we are hearing that, especially at large research libraries, subject specialists, and other professional staff (IT, HR, development, marketing, etc.) are being hired to do work that once required an MLIS. A recent study of ARL directors found that while 1/3 of ARL directors did not perceive the MLIS as necessary, 42% did and it is these directors who will hire the next generation of those working in academic and research libraries.³⁸

Fewer financial resources may also have contributed to the consolidation of vendors in the library marketplace.^{39, 40} Fewer vendors will mean a smaller pool of companies to provide sponsorships, rent exhibit space, support library and association programs. Because "the current model of large publishers dominating scholarly publishing and inflation grinding down library budgets continues,"⁴¹ tighter library budgets could mean less funding for staff development (e.g., association membership, continuing education) or sponsorship of library association programs.

The impact of the pandemic, along with the pre-pandemic trend of the continued state of lower funding and a consolidation in the marketplace, will affect ACRL's FY22 budgeted revenue expectations. We expect that library budgets and individual spending will continue to be reduced and thoughtfully considered. While we are still awaiting FY20 financial reports, data from FY19 show that revenues were declining before the pandemic. Gross revenues for consulting were below budget due to fewer than expected clients in the 4th quarter of FY19, but the 1st quarter of FY20 was off to a busy start. In FY19, webinar revenues exceeded budget in part due to a successful multi-part series. Revenues from licensed workshops were below budget. In September 2020, the ACRL 2021 Conference planned for April 2021 was canceled as an in-person event and will be held as a virtual conference around the same dates. It is

³⁷ Bureau of Labor Statistics, U.S. Department of Labor, Occupational Outlook Handbook, Librarians, accessed September 24, 2020, last modified date September 1 2020, <https://www.bls.gov/ooh/education-training-and-library/librarians.htm#tab-6>

³⁸ Russell Michalak, Monica D.T. Rysavy, and Trevor A. Dawes*, "What Degree Is Necessary to Lead? ARL Directors' Perceptions," *College & research Libraries*, Vol. 80, N. 6, (2019). Accessed November 7, 2019. <https://crl.acrl.org/index.php/crl/article/view/23526/30835>

³⁹ James M. Day, "Consolidation of the Library Vendors," *Library Technology Launchpad*, October 12, 2016, <http://libtechlaunchpad.com/2015/10/12/consolidation-of-the-library-vendors/>

⁴⁰ David Parker, "ATG Special Report — Industry Consolidation in the Information Services and Library Environment: Perspectives from Thought Leaders," *Against the Grain*, July 6, 2016, <http://www.against-the-grain.com/2016/07/industry-consolidation-report/>

⁴¹ Stephen Bosch, Barbara Albee, & Sion Romaine. "Costs Outstrip Library Budgets | Periodicals Price Survey 2020" *Library Journal* April 14, 2020 <https://www.libraryjournal.com/?detailStory=Costs-Outstrip-Library-Budgets-Periodicals-Price-Survey-2020> Accessed October 31, 2020

difficult to project at this early stage, but we expect to see reduced revenues and expenses for our flagship event.

The FY22 budget will include traditional revenue streams (e.g., non-serial publications, ad sales, webinars). ACRL staff will continue to adapt to a post-pandemic environment by further exploring virtual offerings, when needed, for in-person events (e.g., ACRL Conference, RBMS Conference, RoadShows). ACRL staff will continue to look for new entrepreneurial ideas and revenue streams, and consider cost savings throughout the year. As part of ALA's five-year pivot strategy⁴², FY22 is planned to be the first net neutral year for the organization. Strategies for ALA to achieve a net neutral by FY22 include two new revenue streams (CE and contributed revenue), the rollout of the LibLearnX event, and testing public markets for internal products.

In recent years, ACRL has been tasked by its Board and Budget & Finance Committee to spend down its net asset balance, and to look for appropriate opportunities to "invest" a portion of this net asset balance in strategic programs and services that serve the membership. Recent examples of such investments include the promotion of Project Outcome, research grants to practitioner-scholar academic librarians to carry out research identified in the 2019 research agenda, and digitization of past issues of *C&RL News*. Through careful stewardship, the net asset balance, which had grown to \$5,002,115 at the beginning of FY16, has through investments in strategic initiatives been reduced to \$3,311,824 (FY19 August Final Close). We expect it to be further reduced to \$2,388,583 by FY20 close (per FY20 budget) but are pending financial reports that could verify actual.

As ACRL has strategically spent down its net asset balance and it is expected for the FY20 budget to have a greater deficit than planned, we are now looking to build a budget that balances expenses with revenue. During the June 2020 virtual meetings of the Board and Budget & Finance Committee, a list of over \$125,000 of cost savings was reviewed, and direction was given to staff to move forward with the budget cuts. Such investment in programs and services requires staffing support, and staff continues to look for ways to streamline procedures and automate processes where possible, freeing up more of their time for strategic initiatives and to accommodate work stoppage during 23 unpaid furlough days in FY21.

Going forward, the ACRL Board and Budget & Finance Committee will take a much harder look at any proposed new expenditures, as ACRL would need increased revenue streams (e.g., more members joining, increasing book sales, or projected growth for conference and professional development registrations) to support potential requests for increased or new expenditures. Our goal is to moderate many operational expenditures to be more in-line with current revenue expectations while aligning the budget to support the Plan for Excellence and the core commitment to equity, diversity, and inclusion

⁴² ALA Executive Board Doc FALL EBD 12.1.1 Five-Year Pivot Plan.

<http://www.ala.org/aboutala/sites/ala.org/aboutala/files/content/governance/ExecutiveBoard/20202021Docs/ebd%2012.1.1%20ALA%20Pivot%20Strategy.pptx>

through strategic investments from ACRL's net asset balance and the annual endowment transfer. It is important to note that the net asset balance (beginning reserve level for FY22 is expected to be \$1,814,619 per the FY21 budget) is moving closer to the mandated operating reserve amount of \$1,060,858. Ensuring that the net asset balance stays within the mandated operating reserve is another motivating factor for the Board and Budget Committee to carefully monitor expenses in FY22.

Because ACRL works to stay above the mandated operating reserve while still investing strategically in member programs and services, it will cease transfers to its long-term investment fund. If the Board and Budget Committee would like to resume these transfers in future years, there is a two-year notification requirement by ALA if ACRL wants to transfer more than \$50,000 to its LTI; transfers below \$49,999 do not require the two-year advance notification. Per the 2005 ACRL Board recommendation, the ACRL budget includes an LTI interest transfer (Project 3200) up to the maximum allowable amount. In FY19, ACRL transferred \$125,000 in appreciation from its LTI to its operating budget to support strategic initiatives. ACRL will plan to complete this transfer again for FY20. The FY22 budget will include an interest transfer of \$135,000 from the endowment to the operating budget.

Choice FY22 Budget Assumptions

General Remarks

The changing character of Choice is something that has been liberally remarked upon in previous budget assumption documents, but the topic bears briefly revisiting here as so much of our budgeting is based on our evolution as a publishing unit.

Over the past decade the historical core of Choice's publishing program—reviews of new academic monographs—has gradually eroded as the use of reviews in the collection-development process succumbed to the twin forces of technological innovation and the tightening of materials budgets. Indeed, the collection-development function itself no longer occupies the central position it once commanded in many academic libraries. As a result, since 2009, combined circulation of *Choice* magazine and *Choice Reviews* has declined by 50%, from 3,500 the year of the Great Recession to 1,750 today, a remarkably predictable 6% a year.

The decline in the use of reviews has affected other parts of our business as well. Choice reviews generate two other streams of revenue: in-publication advertising and royalties from the licensing of reviews to publishers, aggregators, and purchasing platforms. These too are under stress. Since fiscal 2013, in-publication revenues—space ads in the magazine and banner ads in the database—have shrunk by 50%, while royalties have declined by a steeper 22%, from \$640K in FY13 to about \$500K in this year's budget.

Recognizing these trends, in recent years we have been vigorously working to uncover alternate sources of revenue based around sponsorships of newsletters, podcasts, and webinars and the underwriting of

white papers. During the same period that traditional advertising was shrinking by half, these sponsored-content initiatives have been steadily growing, from a scant \$70K in FY13 to a budgeted \$417K this year. Webinar sponsorships alone have generated gross revenue of over \$1MM since the inception of the program in FY13.

The rise in sponsorship revenue is an important indicator of a larger trend at Choice: the development of an audience outside of the collection-development space, an audience eager to consume Choice content in formats and on platforms far removed from reviews. While review-based readership has fallen, we have been amassing a readership of far greater size and diversity around our media-intensive sponsored programs. Consider these engagement figures from the year just finished:

- Choice360 page views: 181,775
- Choice newsletter subscribers: 14,435 (6 monthly newsletters)
- Webinar registrants: 35,702 (32 webinars)
- Webinar attendees: 15,343
- Webinar screenings on the Choice Media Channel (YouTube): 77,009
- The Authority File podcasts: 42,532 downloads and streams
- White paper downloads: 5,480 (6 reports)

So, as fiscal 2021 gets underway, Choice presents two faces to the outside world: the one, as a publisher of tools supporting the traditional collection-development process; the other, as a producer of a media portfolio engaging an audience roughly five times as large. Herein lies our dilemma. Despite the phenomenal success of our media program (a success dependent on the flow of free content), the former remains the mainstay of our business, bringing in over \$2MM, or 84% of budgeted FY21 unit revenues. The sponsored-content/media portion of the business will generate only 20% of that, some \$400K.

Enter COVID-19. It is still not clear to us how deeply the pandemic will affect our business, but as dire reports of budget shortfalls in higher education filter down through industry reports and the general media, we cannot but expect that it will further depress revenues. While to date we seen no losses that are at variance with historical performance, those, presumably, are coming soon. Here then, are our general assumptions regarding our three principal revenue streams for FY22: subscriptions, royalties (licensing), and advertising.

Subscriptions

The finances of any subscription business are governed by the rules of accrual accounting, in which revenues are recognized (“earned”) when a good or service is delivered rather than when cash is received from the subscriber. For accounting purposes, our subscription revenues are recognized in one-month increments over the term of a twelve-month subscription. The result is to effectively “buffer” even a sudden downturn in renewals, as revenue continues to be recognized at a constant rate (1/12th)

for the remaining subscriptions. Declines in renewal subscriptions will thus not be immediately apparent on the monthly performance reports, which show only earned income.

But of course a sharp downturn in cash does indeed serve as an indicator of things further down the road, and thus the amount of cash received during the initial months of the pandemic has been of value in forming assumptions around the FY22 budget. Since the beginning of the sequestration and the mass exodus of students from American colleges and universities in March of this year, cash receipts for both *Choice Reviews* and *Choice* magazine are down 17% from the same period (April to August) a year ago. Ordinarily one would assume this signals a dramatic downturn in subscriptions, but these figures are not so conclusive as they seem, for historically there is a wide variation in cash receipts in any one month. For instance, year-over-year April-to-August cash was down 19% for *Choice Reviews* in FY18, and *Choice* magazine suffered a 12% decline in cash during this same period in FY19, yet annual earned income for these products was off by only 1% (!) and 10%, respectively, in those years. So by themselves, these numbers do not portend the apocalypse, only the slow, relentless drip of a declining asset.

Having said that, far and away the majority of our subscriptions come from one subscription agent, EBSCO, which brings us a large number of batched subscriptions in November of each year and hence a large infusion of cash. Typically, November accounts for between 30% and 33% of total annual cash received for *Choice Reviews* and some 55% to 60% of *Choice* magazine subscriptions. So it is the November numbers that will provide us with our first real look at subscription revenues over the next year or so. From these we will be able to make a more informed judgement about calendar 2022, as renewal rates are a reliable indicator of future revenue.

Our *Reviews on Cards* continue to generate high-margin income despite its admittedly anachronistic format. That said, *Card* subscriptions have not been immune to the historical trend. Circulation was down 12% in FY21, and we expect continued declines of this magnitude in FY22.

For its part, subscription revenue from *Resources for College Libraries* arrives quarterly as a percentage (30%) of sales made by our partners at ProQuest, and, since we are effectively the “author,” not the publisher, of the work, *that* revenue is considered earned when we receive it. We have little visibility and even less influence, over RCL sales, but absent any information to the contrary, we are projecting only a modest decline in revenue in FY22.

Third-party Licenses

Our licenses with the major platform providers and aggregators provide us with a fairly reliable stream of income. In recent years ProQuest, the largest of our licensees, has been regularly reducing the amount it is willing to pay for using Choice reviews in *Books in Print* and *Syndetics*, and those losses, along with the loss (\$108K) of the ProQuest Intota license when that product failed in the marketplace, account for the lion’s share of the decline in royalty revenue. We see no losses on that scale from other sources in the near term.

Nonetheless, it is worth pointing out that these assumptions do not include drastic, unanticipated losses in royalty income that might yet result from the COVID-19 pandemic. While COVID has certainly subjected subscription revenues to additional stresses, it would take cancellations on the part of hundreds of libraries to equal the loss of even one major licensee. For FY21, ProQuest licenses to Choice content have been budgeted at \$272,518. Should ProQuest suddenly shift course and allow its licenses to our reviews to expire in response to the pandemic (or for any other reason), the entire amount could become vulnerable within a twenty-four-month period. The probability of this type of sudden, wholesale loss is small and has not been factored in our assumptions for FY22, but it cannot be ruled out entirely. Nor is this risk confined to this one licensee.

Advertising and Sponsorships

Traditional Advertising. We have already noted the precipitous decline we are seeing in traditional advertising, with several publishers openly stating to us that they will no longer produce print advertisements. Advertising in *Choice* magazine, which in FY13 brought in over \$450K (gross), fell to \$223K last year and is running at 66% of last year's performance thus far in FY21, well below budget. This trend, and its much smaller analogue in banner advertising in *Choice Reviews*, appears irreversible.

One as yet untested source of revenue is the recent introduction of advertising on Choice360.org, our newly relaunched customer-facing website. We are hopeful that the new site, which provides improved visibility of and easy access to the entire range of Choice content, may attract the interest of sponsors wishing to leverage their investment in Choice-created and produced webinars, podcasts, and white papers.

Webinars. Now in its eighth year, the Choice/ACRL webinar program is well established and continues to draw large and enthusiastic audiences, with lifetime-to date registrations approaching 140,000. Early concerns about the limited life-cycle of our program seem premature at best, in part because the professionalism of our productions and the guidance we provide at every step of the process have made our webinars a trusted source of information for librarians and an attractive platform for sponsors, who increasingly look to us for support in approaching the academic library market. Fueled by COVID-associated cabin fever, FY20 saw registrations double and attendance grow by almost two-and-a-half times over the previous year. That trend appears to be continuing; by mid-October we have already reached budget in sponsor reservations for this fiscal year, and some sponsors are now cold-calling us with requests to book webcasts. So, we are forecasting revenues equal to or better than those of FY20 in both FY21 and FY22.

Podcasts. During this past year the popularity of our principal podcast, The Authority File, again accelerated rapidly, logging 42,532 listener sessions, an increase of 27% over the previous year. Even more impressive, figures for this September are up 61% (6,854 v 4,241 downloads and streams) over a year ago.

Spurred by this level of engagement, in June of this past year we launched a companion series to The Authority File, this one a serial-style podcast, in narrative format, highlighting individual library stories. Release of this new series, Patron Driven, had been planned to coincide with the ALA Annual Conference, attended by considerable on-site fanfare, but the cancellation of the live event and the resulting fanfare-less mid-summer release of its first “season” (sic), dampened initial uptake. First-season listenership of this five-part program has now reached 600, and we are in the early stages of planning a second season, contingent upon finding corporate sponsorship.

Financially, The Authority File has already exceeded its FY21 budget in sponsor reservations, with indications that the only impediment to growth in FY22 may be the limitation of staff time. We are actively exploring outsourcing post-production in order to accommodate more sponsored programming.

White Papers. Finally, our white paper program, more labor- and time-intensive than either webinars or podcasts on a unit basis, is growing more slowly, restrained both by resource issues at Choice and by sponsor participation. The longer sales cycle this project entails, and the scant staff resources available to produce the studies, are serving to limit the number of publications we publish to two a year. For FY22 we will assume two white papers, with gross revenue of \$30,000.

Expenses

Expense assumptions have been made without the benefit of financial data for the fiscal year ending 31 August 2020 (see below). In the absence of this data, we have made certain *pro forma* assumptions. For payroll, we have assumed no layoffs, no reductions in force, and a continued 2% salary adjustment annually, and we have used pre-furlough salaries as the base. These are best-case assumptions that may not survive the budget-making process. Because of our success in reducing expenses over the past five years (\$362K in direct spending reductions between FY15 and FY19), payroll now accounts for about 70% of our direct spending. Aside from staffing, then, there are few other areas to cut. If the continued ALA strategy to contain costs is pursued through furloughs or other personnel reductions, this will mean a reduction in revenue.

For all other direct expenses, we have taken FY21B as the base and subjected it to an annual increase of 1.75%, reflecting our current low rate of inflation. This assumption is subject to substantial restatement as the economy recovers. ALA overhead has been calculated using the current rate of 13.25% (per the operating agreement, the division rate on publishing revenue is 50% of full rate applied to education and other non-dues revenue). Obviously, an increase in that rate as the result of ongoing discussions at ALA about revising the operating agreement will further burden Choice.

It remains to say how difficult it has been to create assumptions around financial performance a year from now in the absence of any financial data later than March of this year. The failure of the attempt to outsource the Accounting group, and the lack of auditable financial statements that has resulted,

have introduced an unprecedented and unacceptable amount of uncertainty into the entire budgeting process.

With these points in mind, Choice *pro forma* assumptions regarding the FY22 budget can be found on page 23.

ACRL General Assumptions

Basic Budget Assumptions

1. All ALA and ACRL fiscal policies will be followed in the development of the budget.
2. The mandated reserve (as set by the ACRL Board, following ALA policy) for ACRL and *CHOICE* will be maintained.
3. Professional development offerings must be operated on a full cost-recovery basis.
4. Non-serial publications must be operated on a full cost-recovery basis.
5. Salaries and benefits for division staff will be equal to or less than 45% of the total operating budget using a 2-year average to match the swings in the operating budget.
6. Total administrative costs for the Division will be equal to or less than 60% of the total operating budget using a 2-year average to match the swings due to the ACRL Conference.
7. New projects that don't generate revenue will be charged to the membership services category.
8. Personnel allocations for salaries, benefits, and other related costs and office services, such as postage, copying, telephone, etc., will continue to be charged to the various programs as a percentage of the time spent on the programs.

Modified accrual accounting

ALA uses accrual accounting, a method which recognizes revenues and expenses at the time the event is held, or product delivered. This method ensures that revenues are on hand for refunds should said event or product not be delivered. However, ACRL has requested that ALA continue to "recognize" the expenses leading up to the conference/event as they occur so that staff can monitor expenses and adjust as needed. Should ALA be able to develop easily obtained reports detailing expenses, ACRL would consider switching to a full accrual system. At this time, however, we are "paying as we go" and earning the revenues only after we deliver the product, e.g., the publication, the conference, etc.

Given that FY22 is a non-conference year, ACRL would expect to generate a negative year-end net. Looking ahead to FY23, due to past investment of ACRL's net asset balance in strategic initiatives, absent significant new revenue streams, the association will need to reduce expenditures substantially, which may result in disruption to member services. The Budget & Finance Committee and staff will closely

monitor the deficit budget to ensure that ACRL's net asset balance remains above the mandated operating reserve (i.e., one-quarter of the average of the last four years of expenses).

Revenues

- + Primary sources of revenue will be education (e-learning, institutes, pre-conferences), publications (including advertising and sponsorships), dues and donations.
- + At least \$25,000 will be budgeted for donations to ACRL Friends (pending further discussion by the Board as to the type of campaign to launch for FY23).
- + The Colleagues program has been a strong source of revenue for ACRL programs and special activities in past years. Although fundraising has gotten more difficult, dedicated member leaders continue to exceed expectations in the fundraising for the ACRL Conference. Other programs have been slightly more challenged, e.g., awards, as sponsors continue to look for more engagement with customers in return for their sponsorship. Staff will budget conservatively for donations related to specific projects. (Projects 3206, 3800, 3833, and 3835).
- + An estimated \$135,000 in income from the ACRL long-term investments will be recognized in the draft operations budget (final amount will be derived in consultation with ALA Finance staff to ensure that will be the eligible expected earnings) (Project 3200).

Expenses:

- Travel and communication costs will continue to increase and will be carefully monitored (all projects). Travel and administrative expenses were reduced based on prior year actuals.
- All current staff positions will be included in the budget. As of September 2020, ALA policy does not allow for the majority of vacant positions (possible exceptions: grant-funded, executive directors) to be filled, and if applicable, any vacancies will be a cost savings. ALA/ACRL expects that the executive director vacancy will be filled by FY22, and the ED salary will be included in the FY22 budget. Some funds will be budgeted for interns and temporary help.

Assumptions by Strategic Goal

Goals are listed in the order in which they appear in the *ACRL Plan for Excellence*.

Value of Academic Libraries

Goal: Academic libraries demonstrate alignment with and impact on institutional outcomes

Objectives

1. Cultivate research opportunities that communicate the impact of academic and research libraries in the higher education environment.
2. Promote the impact and value of academic and research libraries to the higher education community.
3. Expand professional development opportunities for assessment and advocacy of the contributions towards impact of academic libraries.

4. Support libraries in articulating their role in advancing issues of equity, access, diversity, and inclusion in higher education.

Expenses

- \$2,500 will be budgeted for potential VAL activities in consultation with the chair of the VAL committee. (*Project 3703*)

Student Learning

Goal: Advance equitable and inclusive pedagogical practices and environments for libraries to support student learning.

Objectives

1. Empower libraries to build sustainable, equitable, inclusive, and responsive information literacy programs.
2. Collaborate with internal and external partners to expand understanding of the impact of information literacy on student learning.

Expenses

- \$2,500 will be budgeted for potential SLILC activities in consultation with the chair of the SLILC committee (*Project 3711*).
- \$5,000 will be budgeted for maintenance and development of the Information Literacy Sandbox (*Project 3711*).
- One Immersion Program will be offered in FY22 if pandemic conditions improve: the redesigned Immersion curriculum which integrates content from the separate tracks into one offering. (*Projects 3830*). The program will break even or net a small profit. We are also planning on offering at least one regional Immersion program at a location to be determined (*Project 3834*). This change addresses the trend toward making more regional programming available. All Immersion programs will be offered on a cost-recovery basis. Because of its proven-track record of drawing a consistent number of participants, registration revenues will be budgeted at 95%. (*Project 3830*)
- Funds will be budgeted for one Immersion facilitator observer for the non-regional Immersion Programs (*Projects 3830*).

Research and Scholarly Environment

Goal: The academic and research library workforce accelerates the transition to more open and equitable systems of scholarship.

Objectives

1. Increase the ways ACRL is an advocate and model for more representative and inclusive ways of knowing.
2. Enhance members' capacity to address issues related to scholarly communication, including but not limited to data management, library publishing, open access, and digital scholarship, and power and privilege in knowledge creation systems.

3. Increase ACRL's efforts to influence and advocate for more open and equitable dissemination policies and practices.

Expenses

- \$2,500 will be budgeted for scholarly communication activities in consultation with the chair of the Research and Scholarly Environment Committee. (*Project 3702*)
- \$30,000 will be budgeted for research grants to practitioner-scholar academic librarians to carry out research on key questions identified by the Spring 2019 action-oriented research agenda. These will be awarded through a competitive selection process (6-10 grants of \$3,000 - \$5,000 each); (*Project 3702*) Could consider reducing but this supports ACRL's EDI initiatives.
- An additional \$29,257 is budgeted to pay the following:
 - o \$15,010 for Library Copyright Alliance (\$15,010 shown in Govt. Relations Project 3704)
 - o \$6,750 for SPARC dues;
 - o \$5,000 for Open Access Working Group;
 - o \$497 for COUNTER dues;
 - o \$2,000 for OpenCon2021, 1 sponsored scholarship

New Roles and Changing Landscapes

Goal: The academic and research library workforce effectively fosters change in academic libraries and higher education environments.

Objectives:

1. Deepen ACRL's advocacy and support for the full range of the academic library workforce.
2. Equip the academic library workforce to effectively lead, manage, and embrace change, advocate for their communities, and serve as a catalyst for transformational change in higher education.
3. Increase diversity, cultivate equity, and nurture inclusion in the academic library workforce.

Expenses

- \$2,500 will be budgeted as a placeholder for new initiatives to support this goal. (*Project 3403*)

Equity, Diversity and Inclusion

Revenues

- + \$16,5000 in revenues from the ACRL Diversity Alliance will be budgeted. 48 institutions @ \$500. Number of institutions based on 75% of 2020 membership (*Project 3402*).

Expenses

- \$1,500 in ongoing costs to support for the ACRL Diversity Alliance (*Project 3402*).
- \$14,000 will be budgeted to support two ALA Spectrum Scholars. The B&F Committee and the Board recommended to increase support from one to two Spectrum Scholars. The Board approved at its 2018 Fall Meeting. (*Project 3838*).

Enabling programs and services: Member Engagement

The following budget assumptions are presented by enabling program and service area so that we continue to think of resource allocation aligned with the strategic plan.

Membership Services

Revenues

- + These are preliminary estimates based on partial FY20 data, and we are still waiting for more up-to-date info from ALA Membership, as well as tactics to grow membership. Membership revenues will be budgeted by first looking at FY20 February actual, the most current membership data available, then adjusted down to reflect decreases in FY20, FY21 and adjusted for an expected decline in non-conference years. First, ALA has projected a 9% membership decline for FY20. Second, initial FY21 revenue (projected based on the August 2019 membership of 9,313 , a number which excludes the 206 non-dues paying members in FY19) was adjusted to reflect a mandated ALA-wide 30% reduction in dues revenue in FY21 (which would reduce the number of members by 29%). Third, as FY22 will be a non-conference year for ACRL. historically membership decreases by 4.10%. Therefore, FY22 membership will be budgeted at a total membership of 6,304 paying members. This reflects all three declines enumerated above: the projected 9% membership decrease in FY20, projected membership decreases of 29% in FY21, and 4.10% decrease as a non-conference year. ACRL may increase dues slightly in FY22 (if the Board implements an increase based on a possible change to the HEPI index). The initial personal membership rate for FY22 will based on FY21 HEPI and then updated to reflect the final FY21 HEPI. Staff will continue to adjust this recommendation based on the monthly membership reports and quarterly HEPI forecasts.

Expenses

- Membership benefits and support for member services will be strategically reviewed by the Board and Budget and Finance Committee in light of decreasing revenues and absent net asset balance spend down. (Project 3200)
- ACRL will budget \$3,000 to sponsor three ALA Emerging Leaders. (Project 3200).
- ACRL will budget \$4,500 (updated number in assumptions to match \$4,500 at MW19) to print *C&RL News* wraps welcoming new, reinstated, and renewing members and encouraging lapsing members to renew. (Project 3200)
- Leadership Council catering for Annual Conference split between 3200, 3201, 3250, 3275. Budget based on average of previous years: \$5,000/2
- Reduced to \$15,000 from \$25,000 for as yet unidentified strategic initiatives will be budgeted. (Project 3200-5350)

Board and Executive Committee

Expenses

- Funds will be budgeted to support a suite for the ACRL President at Annual Conference—typically about \$340/night/5 nights. As ALA sunsets MW and business meetings do not take place in conjunction with the new LibLearnX event, a suite will not be budgeted. (Project 3201)
- Funds estimated at \$63,022 will be budgeted for a FY22 Board Strategic Planning and Orientation Session. Funds will be budgeted to include senior staff participation in the Strategic Planning Session as well as chairs/ vice-chairs of the four goal-area committees and the EDI Committee. (Project 3201)
- Leadership Council catering for Annual Conference split between 3200, 3201, 3250, 3275. Budget based on average of previous years: \$5,000/4 (Project 3201)

Advisory services and consulting

Revenues

- + Consulting will continue to recover costs and yield a modest net of \$7,300. (Project 3203)

Discussion Groups

Expenses

- No funds beyond staff support will be budgeted as discussion groups do not receive a base funding allocation.

Awards

Expenses

- Donations to support awards will be recognized and staff time, administrative fees, and direct expenses will be budgeted to support the awards program, which consists of 21 awards. (Project 3206)
- Administrative fees will be allocated to 4429 instead of 4490, saving approximately \$600 in overhead.

Chapters

Expenses

- Per member allocations to ACRL Chapters will be funded at \$1.00 per ACRL member residing in the state or region but budgeted based on historic usage of these funds which is below the maximum funding allowed. As ACRL looks to reduce expenses this area of expense reimbursement merits examination. Less than half of the chapters avail themselves of this funding. (Project 3207)
- Funds will be budgeted to support the ACRL Chapter Speakers Bureau program, which funds ten visits to ACRL chapters by ACRL officers. (Project 3207)
- Because no chapter has ever requested funds under this program since its inception, no funds

will be allocated in the FY22 budget to implement the Board's policy to give \$10 to chapters for each new member of ACRL in the chapter's geographic region who joined in the previous fiscal year after chapters document membership campaign activities focused on recruiting to ACRL national. If a chapter did undertake this activity, ACRL could fund this from the net asset balance.

Committees

Expenses

- Committees are allowed up to \$150 each. Based on historical requests, \$1,200 will be budgeted.
- Leadership Council catering for Annual Conference split between 3200, 3201, 3250, 3275. Budget based on average of previous years: \$5,000/4Sections and Interest Groups

Sections

Expenses

- Expenses for sections will be budgeted using the section funding formula in place, a base allocation of \$1,000.00 with an additional \$0.75 per section member over 400 (as of August 31).
- Interest Groups are allowed up to \$150 each. Based on historical requests, \$1,500 will be budgeted.
- Leadership Council catering for Annual Conference split between 3200, 3201, 3250, 3275. Budget based on average of previous years: \$5,000/4

Liaisons to Higher Education Organizations

Expenses

- See Advocacy section.

Special Events

Expenses

- In recent years, the number of ACRL section and interest group special events at conferences has averaged 16 per year. With the reorganized Midwinter Meeting starting in 2021, the average number of events per year may drop to 12 as less units meet onsite. (Project 3833)

Government Relations (Project 3704)

Expenses

- \$15,010 for Library Copyright Alliance (\$15,010 shown in Scholarly Communication Project 3702)
- \$4,000 will be budgeted to cover the costs of the officers (or other leaders) attending ALA's Legislative Day in Washington, D.C. (Project 3704).

- \$2,000 for general travel to support legislative and policy advocacy (*Project 3704*).

Scholarships

Expenses

- Funds for scholarships shall be budgeted as follows, although these amounts may be reduced as the budget gets assembled (*Project 3838*):
 - 2022 RBMS Conference scholarships @ \$18,000 reduced to \$13,000
 - Immersion Programs @ \$12,000; reduced to \$10,000 if pandemic conditions improve and a F2F program is held in FY22
 - E-learning scholarships @ \$1,000: eliminated
 - Support for 2 ALA Spectrum Scholars @ \$14,000
 - Miscellaneous @ \$3,000; eliminated

Annual Conference Programs

Expenses

- Financial support for ACRL's ALA Annual Conference programs will be a total of \$7,150. (*Project 3835*)
- The President's Program budget will be \$6,500. (*Project 3835*)
- Funds of \$200 will be budgeted for a front and back flyer that includes the award winners for the ACRL President's Program. (*Project 3835*)

Enabling programs and services: Publications

Non-periodical publications

Revenues

- + In FY22, non-periodical publications will be able to recover costs and net a small-medium excess revenue based on the current list of books in progress and expanding backlist. (*Project 3400*)
- + ACRL should see continued robust sales and royalties from EBSCO and ProQuest in FY22. (*Project 3400*)

Expenses

- Expenses will be budgeted higher than in previous years to account for increased costs of production, royalty payments, costs of sales, etc. as the new title count and backlist continues to grow. (*Project 3400*)

Library Statistics (Project 3202)

Revenues

- + In FY22 the redesigned ACRL data product (including the Academic Library Facilities survey data and the ACRL Academic Library Trends and Statistics survey data) will launch. Net revenue is projected to be \$32,725 and will be budgeted in 3202.

Expenses

- We will budget \$21,000 in depreciation costs and \$21,500 as repayment to PLA to cover ACRL's share of the rebuild cost in FY21. (Project 3202)

Standards and guidelines (Project 3204)

Revenues

- + Sales of print standards fell off to zero during the pandemic. Anticipate very negligible sales to continue in FY22 as well unless there is a bigger than anticipated economic rebound and/or RoadShows move back to an in-person model (RoadShows IUT costs of booklets for programs back to this line).

Expenses

- There should be no, or very limited, printing expenses in FY22 due to current inventory and lack of sales in FY20 and most likely FY21.

C&RL (Project 3300)

Revenues

- + For FY22, we are assuming that ad revenues will drop by approximately 20% to \$9,000 due to the continued impact of the COVID-19 pandemic/ recovery. (Project 3300)

Expenses

- Online hosting and labor expenses should remain steady with FY20 actual/ FY21 budget. (Project 3300)

C&RL News (Project 3302)

Overview

- The below budget assumptions are based on continuing to publish *C&RL News* in print at 11 issues per year. Staff are examining other possible models for the magazine due to the economic downturn.

Revenues

- + Subscriptions: Subscriptions dropped approximately 15% between FY19 and FY20. We will

budget a 20% drop from FY20 actual for FY22 due to an anticipated smaller number of renewals due to the pandemic. Small annual subscription price increases have been implemented which will partially offset smaller number of subscribers.

- + Print product ads: We anticipate an approximately 25% decline in print advertising over FY20 actual due to the ongoing impact of the pandemic and at this time will budget \$50,000 for this line.
- + Online product ads: Revenue from banner ads on the C&RL News website and table of contents alert sponsorships should hold reasonably steady at between \$12,000 and \$15,000.
- + Online ads: Online advertising on which we pay overhead, including eblasts and newsletter sponsorships, should remain steady at approximately \$80,000.
- + Classified ad revenues will be budgeted with a moderate increase over FY21, assuming that job openings consistently recover through FY20. Job ad sales grew steadily from 2010 through 2017, then declined slightly in 2018 and 2019 as the job market plateaued. In 2020, ads suffered a massive drop as the COVID pandemic hit the U.S., down 70% to 80% for much of the year until showing signs of recovery as autumn approached. ALA JobLIST maintains high awareness in the LIS niche and is a uniquely powerful recruitment tool for the profession. But an uncertain economic environment and the possibility of new ALA policies restricting the ads JobLIST is allowed to publish—restrictions JobLIST's for-profit competitors don't face—potentially threaten its future performance. Online job ad revenues and expenses are split with *American Libraries* 50/50 through operation of the ALA JobLIST online career center. (Project 3302)

Expenses

- A small amount of funds will be budgeted to support marketing initiatives for the online career center, ALA JobLIST. (Project 3302)
- \$14,000 will be budgeted to contribute to HRDR for operating costs of the ALA JobLIST Placement Center at ALA MW and AC. (Project 3302)
- \$19,350 will be budgeted for ALA JobLIST's ongoing operating expenses, a monthly fee to the platform provider (assumes a small increase in the fee for the contract renewal in December 2021). (Project 3302)
- C&RL News page counts will remain at FY20 levels, pending revenues and expenses. (Project 3302)
- Slight increases in printing and postage are anticipated. (Project 3302)
- Online hosting expenses are anticipated to remain steady at FY20 actual/ FY21 budget levels. (Project 3302)

RBM (Project 3303)

Revenues

- + Subscriptions dropped approximately 10% between FY19 and FY20. At this time, we will budget

a similar drop for FY22 unless we see a material change in FY20 subscriptions year to date. Small annual subscription price increases have been implemented which will partially offset smaller number of subscribers.

- + Print and online advertising revenue should be on par with FY20 actual/ FY21 budget.

Expenses

- Online hosting expenses will remain at FY20 actual/ FY21 budget levels following the transition to Open Journal Systems in FY17. (Project 3303)
- Slight increases in printing and postage are anticipated. (Project 3303)
- Page counts should remain at FY20 levels. (Project 3303)

CHOICE

Keeping in mind the points made in the overview section, here are the following *pro forma* assumptions regarding the FY22 budget. (All percentages are to FY21 budget unless otherwise noted):

CHOICE Revenue

- + *Choice Reviews* subscription revenue will fall by 2%.
- + *Choice* magazine subscription revenue will fall by 7%; *Reviews on Cards*, by 10%
- + Subscriptions to *Resources for College Libraries* will be in line with FY21B performance, at around \$135,000. RCL licensing will remain at \$20K for the use of RCL content in ProQuest's eBook Central.
- + Net (to Choice) revenue for *ccAdvisor* will be budgeted at around \$39K for combined subscriptions and advertising.
- + Advertising net revenues:
 - o We are assuming continued weakness in *Choice* magazine advertising, yielding a 15% drop to approximately \$165,000 in gross revenue. Banner ads in *Choice Reviews* will drop by 5%.
 - o Content marketing:
 - Newsletters and eblasts: 2% growth
 - White papers: flat to FY21B
 - Podcasts: 5% growth
 - o Gross webinar revenue will be budgeted conservatively at around \$190,000, gross. Assuming the current financial split with ACRL (85/15) for webinars, this delivers around \$160K to Choice before sales commissions. Subject to restatement as the year progresses
- + Royalties from licensing of *Choice Reviews* will remain at or slightly below current levels, to perhaps \$490K.

CHOICE Expenses

- Choice will budget salary, benefits, and overhead according to the directives of ALA Finance.
- All other direct expenses, with the exception of amortization of capitalized expenses, will remain at FY21B levels, adjusted for inflation.

CHOICE Bottom Line

- Revenues will be down approximately 3%.
- Assuming no furloughs, expenses will rise by approximately 8% over FY21, which saw a 9% decline in payroll owing to 23 days of furlough
- For FY22, net revenue may be as high as (-\$260K), requiring a further draw-down from the Choice reserve fund, currently at about \$2.4MM.

Enabling programs and services: Education

ACRL 2023 Conference (Project 3801)

Revenues

- + All revenues pertaining to ACRL 2021 will be recognized in April 2021 after the conference is held.

Expenses

- FY22 is a non-conference year for ACRL, which typically means that it is a “spend down” year as we expend funds to prepare for the ACRL 2023 conference without revenues to offset these expenses. Staff salaries and benefits as well as certain deposit and other planning expenses will be budgeted.

Preconferences and workshops

Revenues

- + Revenues generated from registration fees will cover the costs for one Annual preconference, as the event is budgeted to at least break even. We will budget attendance conservatively to minimize the possibility of having to cancel due to low registration numbers. (Project 3811).
- + The RBMS 63rd Annual Conference will be held in FY22. Revenues and expenses for this program will be set to break even. (Project 3800)

Expenses

- Sections sponsoring conferences (e.g., RBMS) in FY22 may participate in the program to share net revenue with ACRL, which is spent from the fund balance in FY23. (Project 3275 and 3838)

Online learning (Project 3340)

Revenues

- + E-learning webcasts and courses will be developed and offered in FY22. We project the number of multi-week course offerings to stay the same or decrease slightly from FY21 levels and expect webcast offerings to stay the same from FY21 levels. We anticipate total revenues will be a little down or even with FY21 actuals. (Project 3340)
- + ACRL and CHOICE will split revenues and expenses (15/85%) for the ACRL/CHOICE sponsored webinars and will budget approximately 30 of them in FY21.
- + ACRL will continue to offer group registration rates for e-Learning webcasts, as well as the “frequent learner program,” and special pricing for webcast series. (Project 3340)

Expenses

- ACRL will continue to provide two complimentary e-Learning webcasts to ACRL chapters per fiscal year.

Licensed workshops (Project 3341)

Revenues

- + ACRL will continue to license full-day workshops to institutions, chapters, and consortia upon request, as allowed and deemed safe based on the pandemic outlook. Seven available workshops will cover these topics: the Standards for Libraries in Higher Education, Scholarly Communication, Assessment, Open Educational Resources and Affordability, Research Data Management, the Framework for Information Literacy for Higher Education, and the Scholarship of Teaching and Learning. These programs will be offered on a cost-recovery basis and should generate a modest net. (Project 3341)
- + We project the number of in-person workshops delivered to begin increasing from FY21 levels with the anticipation that large group gatherings may become safer. (Project 3341)
- + ACRL will also offer new virtual RoadShow offerings based on the current workshop topics, developed in FY21. We project this to be a popular option for institutions and organizations unable to host an in-person workshop and to generate a modest net. (Project 3341)
- + \$10,000 in partial revenue for subsidized RoadShow (Tent. Projects 3702, 3703, 3711).

Expenses

- ACRL will continue to cover travel costs for new presenters to shadow workshops. With the expectation that ACRL will develop at least one new workshop and hire new presenters in FY22, ACRL will budget for 3 new presenters to shadow one workshop each in FY22.
- \$20,000 each year to support curriculum development of new workshops and curriculum refreshes of existing workshops.

- Bulk of expenses paid for subsidized RoadShows to HBCU, tribal colleges, and other minority-serving institutions. Continue offering ACRL licensed workshops with up to five subsidized versions on a partial cost-recovery model. Delivery to five locations means an estimated direct cost of \$16,750 total: \$9,250 travel = (2 presenters x 5 workshop locations) * (\$450 flight + \$300 hotel (\$200 * 1.5 nights) + \$100 2 days per diem + \$75 ground transportation) and \$7,500 honorarium (\$750 x 2 presenters x 5 locations). (Tent. Projects 3702, 3703, 3711)

Enabling programs and services: Advocacy

Strengthening partnerships with other organizations (Project 3501)

Expenses

- \$5,000 will be budgeted to support the work of ACRL's External Liaisons Committee (formerly Liaison Coordinating Committee) through its grants working group. (Project 3501).
- ACRL will continue organizational support Project COUNTER, CHEMA, EDUCAUSE (dropped EDUCAUSE Dues from draft budget saving \$2,000), FTRF, American Council of Learned Societies, National Humanities Alliance, and CNI. (Project 3501)
- Modest funding to support additional visits (as opportunities arise) to higher education organization conferences and meetings and those of information –related organizations will be included in the budget. (Project 3501)

Communication on major issues and trends in libraries and Higher Education

Expenses

- Continue membership in Library Copyright Alliance at direct cost of \$30,020 plus staff time. (Projects 3702 and 3704)
- Funds will be budgeted to support ACRL's advocacy efforts to influence legislative and public policy. (Projects 3702 and 3704)
- The full Board will participate in a virtual spring meeting but \$4,000 will be budgeted to cover the costs of the officers (or other leaders) attending ALA's Legislative Day in Washington, D.C. (Project 3704)

Project Outcome (Project 3712)

Revenue

- + Project Outcome offers fee-based group accounts for consortia that may bring in revenue. Fees range from \$600 to \$5000 per group, depending on the number of institutions. There are likely to be fewer than 2 groups added in a year.
- + Revenue from training workshops will be budgeted at \$1750.
- + Revenue for new options (e.g. sponsorships, external partnerships, toolkit "resale")

Expenses

- \$60,550 will be budgeted for monthly web maintenance costs for the ACRL Project Outcome toolkit. This includes \$250/month for Amazon Web Services, \$50 for Civilized Discourse Construction Kit, and \$225/month for Digital Divide Data Ventures. Community Attributes is paid monthly for maintenance and ad hoc troubleshooting (estimated at \$3000/month).
- ACRL staff time of at least 15 hours/week to: provide customer service and technical support for Project Outcome users, act as staff liaison to the Project Outcome for Academic Libraries Editorial Board, and organize new online learning opportunities.

Operations

Operational activities relevant to the quality of ACRL's strategic and enabling programs and services are reported below.

Staff and office

Expenses—ACRL

- ACRL's staff budget will include full staffing at FY20 level.
- \$5,000 will be budgeted for contract services as needed. (Project 0000)
- Staffing costs for existing staff will be budgeted as directed by ALA Finance. (Project 0000)
- A small amount of money will be budgeted for replacement printers as needed. (Project 0000)
- Costs to provide professional development opportunities for staff will be budgeted. Budgeted funds for professional development and membership, business meetings, and general operational costs reduced.

Expenses—CHOICE

- See *Choice* expenses.

ALA Relationship

Long-term investment

- + ACRL's general overhead payment to ALA will be budgeted at FY21 levels as policy requires, currently estimated at about \$811,598 (FY19 final actual).

Expenses—CHOICE

- CHOICE's general overhead payment to ALA will be budgeted at approximately \$334,014 in FY21, based on FY19 actual (final close).

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| | A | B | C | D | E | F |
|----|---|---------------------|---------------------|---------------------|---------------------|---------------------|
| 1 | | FY2018 | FY2019 | FY2020 | FY2021 | FY2022 |
| 2 | | Actual | Actual | Budget | Budget | Budget |
| 3 | Beginning Reserves | | | | | |
| 4 | Reserve Sept. 1: ACRL Operating | \$4,687,946 | \$3,430,260 | \$3,311,824 | \$2,391,197 | \$1,850,333 |
| 5 | Reserve Sept. 1: ACRL LTI | \$4,180,025 | \$4,956,786 | \$4,954,016 | \$5,047,572 | \$5,047,572 |
| 6 | Reserve Sept. 1: CHOICE Operating | \$2,533,295 | \$2,926,294 | \$2,571,980 | \$2,562,759 | \$2,569,301 |
| 7 | Reserve Sept. 1: CHOICE LTI | \$880,574 | \$572,349 | \$538,536 | \$597,935 | \$597,935 |
| 8 | Total | \$12,281,840 | \$11,885,689 | \$11,376,356 | \$10,599,463 | \$10,065,141 |
| 9 | | | | | | |
| 10 | Revenues | | | | | |
| 11 | | | | | | |
| 12 | Membership | | | | | |
| 13 | Dues | \$609,906 | \$598,848 | \$611,284 | \$354,335 | \$538,948 |
| 14 | Standards, Licensing Fees | \$2,704 | \$38,714 | \$14,000 | \$850 | \$250 |
| 15 | Advisory | \$27,050 | \$33,490 | \$88,500 | \$42,500 | \$42,500 |
| 16 | Awards | \$17,450 | \$20,750 | \$16,600 | \$19,600 | \$22,100 |
| 17 | Special Events | \$31,282 | \$34,887 | \$15,125 | \$15,125 | \$15,125 |
| 18 | Diversity Alliance | \$25,500 | \$29,930 | \$24,000 | \$27,090 | \$27,500 |
| 19 | Project Outcome | \$0 | \$37,250 | \$0 | \$2,500 | \$2,500 |
| 20 | Subtotal | \$713,892 | \$793,870 | \$769,509 | \$462,000 | \$648,923 |
| 21 | | | | | | |
| 22 | Publications | | | | | |
| 23 | CHOICE | \$2,813,283 | \$2,520,863 | \$2,645,629 | \$2,382,519 | \$2,242,842 |
| 24 | C&RL | \$14,758 | \$16,054 | \$16,200 | \$15,700 | \$12,640 |
| 25 | C&RL News | \$569,964 | \$613,958 | \$564,657 | \$400,932 | \$376,388 |
| 26 | RBM | \$22,871 | \$29,870 | \$27,373 | \$26,907 | \$23,756 |
| 27 | Nonperiodical Publications | \$388,475 | \$338,897 | \$379,380 | \$262,290 | \$249,920 |
| 28 | Library Statistics | \$116,797 | \$123,554 | \$157,809 | \$120,397 | \$150,000 |
| 29 | Subtotal | \$3,926,148 | \$3,643,197 | \$3,791,048 | \$3,208,745 | \$3,055,546 |
| 30 | | | | | | |
| 31 | Education | | | | | |
| 32 | Institutes & Liscensed Workshops | \$421,728 | \$308,921 | \$355,624 | \$295,780 | \$350,850 |
| 33 | ACRL Conference | \$36,635 | \$2,549,663 | (\$24,000) | \$2,067,620 | (\$24,000) |
| 34 | Preconferences & RBMS Conference | \$265,297 | \$223,245 | \$218,895 | \$185,971 | \$185,971 |
| 35 | Annual Conference & MW Programs | \$19,350 | \$14,000 | \$16,000 | \$16,000 | \$16,000 |
| 36 | Web-CE | \$121,416 | \$103,698 | \$90,570 | \$76,178 | \$80,928 |
| 37 | Subtotal | \$864,426 | \$3,199,528 | \$657,089 | \$2,641,549 | \$609,749 |
| 38 | | | | | | |
| 39 | Special Programs | | | | | |
| 40 | Friends of ACRL-Restricted | (\$9,737) | \$0 | \$30,640 | \$30,640 | TBD |
| 41 | Friends of ACRL-Operating | \$0 | \$0 | \$0 | \$0 | \$0 |
| 42 | | | | | | |
| 43 | Total Revenues | | | | | |
| 44 | Total Revenues ACRL | \$2,691,183 | \$5,115,731 | \$2,572,017 | \$3,929,775 | \$2,071,376 |
| 45 | Total Revenues CHOICE | \$2,813,283 | \$2,520,863 | \$2,645,629 | \$2,382,519 | \$2,242,842 |
| 46 | Total Revenues ACRL & Choice | \$5,504,466 | \$7,636,595 | \$5,217,646 | \$6,312,294 | \$4,314,218 |
| 47 | | | | | | |

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| | A | B | C | D | E | F |
|----|---|--------------------|--------------------|--------------------|--------------------|--------------------|
| 1 | | FY2018 | FY2019 | FY2020 | FY2021 | FY2022 |
| 2 | | Actual | Actual | Budget | Budget | Budget |
| 48 | Expenses | | | | | |
| 49 | | | | | | |
| 50 | Membership | | | | | |
| 51 | Membership Services* | \$200,336 | \$49,671 | (\$45,922) | \$28,130 | (\$17,979) |
| 52 | Exec. Cttee. & Board | \$212,181 | \$232,282 | \$223,581 | \$144,926 | \$200,648 |
| 53 | Advisory | \$100,632 | \$60,706 | \$80,276 | \$52,844 | \$35,466 |
| 54 | Standards Distribution | \$15,293 | \$8,592 | \$3,283 | \$3,753 | \$10,404 |
| 55 | Awards | \$47,571 | \$48,676 | \$49,407 | \$48,160 | \$46,566 |
| 56 | Chapters | \$27,541 | \$18,636 | \$31,477 | \$18,897 | \$30,774 |
| 57 | Committees | \$153,752 | \$134,130 | \$156,633 | \$120,872 | \$146,688 |
| 58 | Sections | \$128,865 | \$117,292 | \$130,774 | \$110,169 | \$121,591 |
| 59 | C&RL Over Revenue | \$38,594 | \$32,209 | \$0 | \$35,531 | \$37,561 |
| 60 | C&RL News Over Revenue | \$0 | \$0 | \$0 | \$105,155 | \$46,658 |
| 61 | Liaisons to Higher Ed. Organizations | \$43,951 | \$41,205 | \$60,773 | \$28,838 | \$33,160 |
| 62 | Special Events | \$36,513 | \$40,849 | \$14,498 | \$20,955 | \$22,038 |
| 63 | Information Literacy | \$37,333 | \$44,503 | \$10,603 | \$8,076 | \$55,278 |
| 64 | Scholarly Communications | \$119,856 | \$155,076 | \$142,290 | \$77,871 | \$115,793 |
| 65 | Value of Academic Libraries | \$118,069 | \$57,851 | \$101,018 | \$34,977 | \$45,726 |
| 66 | Government Relations | \$56,668 | \$42,629 | \$57,065 | \$32,472 | \$43,828 |
| 67 | Scholarships | \$40,845 | \$82,580 | \$43,000 | \$102,000 | \$37,000 |
| 68 | Annual Conference Programs | \$35,012 | \$41,123 | \$57,550 | \$49,080 | \$43,334 |
| 69 | New Roles & Changing Landscapes | \$13,896 | \$7,236 | \$19,483 | \$7,731 | \$23,313 |
| 70 | Diversity Alliance | \$32,770 | \$42,920 | \$74,369 | \$55,578 | \$66,964 |
| 71 | Project Outcome | \$49,690 | \$247,565 | \$209,452 | \$73,437 | \$102,574 |
| 72 | Subtotal | \$1,509,368 | \$1,505,733 | \$1,419,610 | \$1,159,452 | \$1,247,386 |
| 73 | | | | | | |
| 74 | Publications | | | | | |
| 75 | CHOICE | \$2,945,284 | \$2,698,854 | \$2,654,850 | \$2,375,977 | \$2,487,276 |
| 76 | C&RL | \$14,758 | \$16,054 | \$56,946 | \$15,700 | \$12,640 |
| 77 | C&RL News | \$487,139 | \$550,606 | \$585,903 | \$400,932 | \$376,388 |
| 78 | RBM | \$21,400 | \$19,622 | \$16,588 | \$19,579 | \$20,196 |
| 79 | Nonperiodical Publications | \$330,329 | \$223,970 | \$332,809 | \$236,141 | \$232,637 |
| 80 | Library Statistics | \$70,310 | \$147,932 | \$95,965 | \$80,383 | \$106,092 |
| 81 | Subtotal | \$3,869,220 | \$3,657,038 | \$3,743,061 | \$3,128,712 | \$3,235,229 |
| 82 | | | | | | |
| 83 | Education | | | | | |
| 84 | Institutes & Liscensed Workshops | \$367,138 | \$293,394 | \$346,148 | \$303,136 | \$335,597 |
| 85 | ACRL Conference | \$238,096 | \$2,093,753 | \$301,758 | \$1,908,030 | \$278,779 |
| 86 | Preconferences & RBMS Conference | \$243,900 | \$203,473 | \$201,176 | \$173,716 | \$180,217 |
| 87 | Web-CE | \$76,078 | \$49,631 | \$75,779 | \$54,583 | \$69,557 |
| 88 | Subtotal | \$925,212 | \$2,640,251 | \$924,861 | \$2,439,465 | \$864,150 |
| 89 | | | | | | |
| 90 | Special Programs | | | | | |
| 91 | Friends of ACRL-Restricted | (\$9,737) | \$67,820 | \$20,000 | \$60,000 | \$60,000 |
| 92 | Friends of ACRL-Operating | \$65,357 | \$129,998 | \$59,962 | \$118,987 | \$46,878 |
| 93 | Subtotal | \$55,620 | \$197,818 | \$79,962 | \$178,987 | \$106,878 |
| 94 | | | | | | |
| 95 | Total Expenses | | | | | |
| 96 | Total Expenses ACRL | \$3,423,873 | \$5,234,167 | \$3,492,644 | \$4,470,639 | \$2,906,366 |
| 97 | Total Expenses CHOICE | \$2,945,284 | \$2,698,854 | \$2,654,850 | \$2,375,977 | \$2,487,276 |
| 98 | Total Expenses ACRL & Choice | \$6,369,157 | \$7,933,021 | \$6,147,494 | \$6,846,616 | \$5,393,642 |
| 99 | | | | | | |

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| | A | B | C | D | E | F |
|-----|-------------------------------------|--------------|--------------|--------------|--------------|--------------|
| 1 | | FY2018 | FY2019 | FY2020 | FY2021 | FY2022 |
| 2 | | Actual | Actual | Budget | Budget | Budget |
| 100 | Nets | | | | | |
| 101 | Total Net ACRL | (\$732,690) | (\$118,436) | (\$920,627) | (\$540,864) | (\$834,990) |
| 102 | Total Net Choice | (\$132,001) | (\$177,990) | (\$9,221) | \$6,542 | (\$244,434) |
| 103 | | | | | | |
| 104 | Membership Net | (\$795,476) | (\$711,863) | (\$650,101) | (\$697,452) | (\$598,463) |
| 105 | Publications Net (without Choice) | \$188,929 | \$164,150 | \$57,208 | \$73,491 | \$64,751 |
| 106 | Education Net | (\$60,786) | \$559,276 | (\$267,772) | \$202,084 | (\$254,401) |
| 107 | | | | | | |
| 108 | Operating Transfers | | | | | |
| 109 | ACRL | (\$525,000) | \$0 | \$0 | \$0 | \$0 |
| 110 | Choice | \$525,000 | (\$176,324) | \$0 | \$0 | \$0 |
| 111 | | | | | | |
| 112 | LTI Transfers, Gains, Losses | | | | | |
| 113 | ACRL | \$776,761 | (\$2,770) | \$93,556 | TBD | TBD |
| 114 | Choice | (\$308,226) | (\$33,813) | \$59,399 | TBD | TBD |
| 115 | | | | | | |
| 116 | Ending Reserves | | | | | |
| 117 | ACRL Mandated Operating Reserve | \$933,236 | \$989,273 | \$1,028,604 | \$1,060,858 | \$1,038,833 |
| 118 | Reserve Aug 31: ACRL Operating | \$3,430,256 | \$3,311,824 | \$2,391,197 | \$1,850,333 | \$1,015,344 |
| 119 | Reserve Aug 31: ACRL LTI | \$4,956,786 | \$4,954,016 | \$5,047,572 | \$5,047,572 | \$5,047,572 |
| 120 | Reserve Aug 31: CHOICE Operating | \$2,926,294 | \$2,571,979 | \$2,562,759 | \$2,569,301 | \$2,324,867 |
| 121 | Reserve Aug 31: CHOICE LTI | \$572,348 | \$538,536 | \$597,935 | \$597,935 | \$597,935 |
| 122 | Total | \$12,818,920 | \$12,365,629 | \$11,628,068 | \$11,126,000 | \$10,024,550 |

Association of College & Research Libraries
225 N. Michigan Ave., Suite 1300, Chicago, IL 60601
800-545-2433, ext. 2523
acrl@ala.org; <http://www.acrl.org>



To: ACRL Budget and Finance Committee, ACRL Board of Directors
From: Kara J. Malenfant, ACRL Interim Executive Director
Date: January 20, 2020
Re: Timing for FY22 preliminary budget

Generally, in January, staff present the ACRL Budget and Finance Committee with a detailed project-by-project preliminary budget for careful review and discussion. This is based on the budget assumptions developed in fall by staff and the Budget and Finance Committee, which are revised, if necessary, and approved by the ACRL Board at its fall meeting. (For more on general planning process, timing, and workflow, see [Board Manual: 6.0 Budget & Finance](#).)

This year, there are delays in financial reporting, as noted in ACRL MW21 B&F Doc 4.0, and a high degree of uncertainty about the near-term economic outlook, described below. This makes it difficult to share meaningful reports for FY20, project for FY21, and prepare for FY22. We expect to have more complete financial information in the near future. As described on January 19, 2021, during the joint ALA Budget Analysis and Review Committee / Finance and Audit Committee Meeting, the FY20 audit is underway and the focus now is on FY21 financial reports.

The ACRL 2021 Conference will be held virtually in early April, so we also expect to have preliminary numbers (registration, exhibits) available in late spring. With this information in hand, as well as more information about the state of the U.S. economy and outlook for higher education, staff will revise and present a detailed FY22 preliminary budget to the Board and Budget and Finance Committee for a fulsome review and discussion in late April-early May.

ACRL FY22 Preliminary

Staff have developed a preliminary FY22 budget (B&F Doc 7.0 ACRL FY22 Preliminary Executive Summary) based off the approved FY22 Assumptions (B&F Doc 6.0) and making some adjustments to reduce travel expenses per ALA-direction given mid-December to only budget for travel that is essential. For fiscal 2022 we have budgeted revenues of \$2,071,376 on expenses of \$2,906,366, for net operating income of (\$834,990).

| FY22 Budget | ACRL | Choice |
|----------------|-------------|-------------|
| Revenues | \$2,071,376 | \$2,242,842 |
| Expenses | \$2,906,366 | \$2,487,276 |
| Net | (\$834,990) | (\$244,434) |
| Ending Balance | \$1,015,344 | \$2,324,867 |

For those new to the ACRL budget, it is important to remember two things. First, ACRL has been aggressively spending down its net asset balance, which had risen to \$5 million at the beginning of FY16, and, based on recommendations from the Board and Budget & Finance Committee, was budgeting deficits during FY18 to FY21 for investments in strategic areas to achieve this. Second, ACRL's finances need to be considered as a two-year cycle; fiscal years ending in an even number are expected to have some deficit to cover the planning expenses for the next ACRL Conference. Fiscal years ending in an odd number would typically show net revenues that cover all of the planning expenses from the previous year, as well as excess revenues to support member programs and services. This "seesaw" budget means we expect the FY22 budget to show a deficit net. However, this comes on the heels of a budgeted deficit in FY21, a conference year, due to the planned investment budget and economic impact of the pandemic.

While the preliminary FY22 deficit net of (\$834,990) is on par with the investment budgets of other recent even fiscal years, it will need to be the end of the aggressive spend down budgets, as the budgeted FY22 year-end net asset balance of \$1,015,344 is merely \$23,489 over the ALA-mandated operating reserve level of \$1,038,833. In addition, that year-end net asset balance is far below the "high-risk" recommendation of \$1,775,213, which was advised by a 2018 ACRL Budget & Finance Committee Working Group (B&F Doc 10.0). As an additional point of comparison, see CHEMA/ACLS peer higher ed association (B&F Doc 10.1). Consider this memo an early signal to the Board and Budget & Finance Committee of the need to ensure long-term financial stability of the organization and for these two groups to continue exercising their prudent financial oversight in FY22 and beyond.

While the preliminary FY22 budgeted year-end net is concerning, the Board/B&F should keep in mind that there are number of cost-savings projections (B&F Doc 4.0) that we expect in FY20 and FY21, and it is likely that the FY22 budget will begin the year with a much higher beginning balance. In further refining the FY22 budget, staff will look for additional costs to contain as well as review revenue expectations and bring an updated budget to the Board and B&F for a careful review in late spring.

As a reminder, ALA issued guidance about a proposed change to endowment fund transfers in FY22 as follows, "To address the Association's current short-term cash liquidity concerns and to provide appropriate cash liquidity in the General Fund, Divisions, and Round Tables, ALA is proposing suspending Endowment Fund transfers from Round Table and Division operating net asset balances to the ALA Endowment Fund for FY 2022." While ACRL had no plans to transfer from operating to the LTI in the coming fiscal year (per the FY22 budget assumptions in fall), this is an important indicator about continuing struggles with liquidity. The proposal was brought for action on January 19, 2021, at the joint ALA Budget Analysis and Review Committee / Finance and Audit Committee Meeting. A motion was made to BARC to suspend transfers, and it carried; subsequently a motion was made to F&A to suspend transfers, and it carried.

ACRL FY22 Revenue Streams

As we consider ACRL's three standard revenue streams, here is how we built the preliminary budget for FY22.

| FY22 | Membership | Publications (without Choice) | Education |
|----------|-------------|----------------------------------|-------------|
| Revenues | \$648,923 | \$812,704 | \$609,749 |
| Expenses | \$1,247,386 | \$747,953 | \$864,150 |
| Net | (\$598,463) | \$64,751 | (\$254,401) |

Choice FY22 Preliminary

In a first pass at FY22 we have budgeted revenues of \$2,242,842 on expenses of \$2,487,276, for a deficit of (\$244,434) (see B&F Doc 9.0). Staff will carefully review and revise, aligning expenses more closely with revenue, bringing you an updated and more detailed preliminary budget in late April-early May.

Current Economic Climate and U.S. Higher Education

Any projections about financial performance for the coming year must be informed by the larger environment. Since sharing the FY22 budget assumptions in November, new signals from the environment indicate the COVID-19 impact across sectors is uneven with contraction and slow recovery (after 2025) forecast for the education sector.¹ In mid-December, survey results gave a full picture of fall 2020, showing that overall enrollment across higher education is down 2.5 percent, nearly twice the rate reported the previous fall, with the greatest loss being in undergraduate enrollment.² “Reduced enrollment will lead to tuition revenue declines at a majority of public and private universities, while reductions in auxiliary revenue, such as that earned from housing and dining, will also be significant for some,” said Moody’s analyst Michael Osborn. “Other revenue sources, such as state funding and philanthropy, will also come under increasing stress as the pandemic persists.”³

This predicted plateau is consistent with ACRL’s experiences following the 2001/02 and 2008/09 recessions. We typically see a significant lag in the recovery of municipal and higher education budgets after the rest of the economy bounces back. For this reason, we believe we will see a plateau at something less than normal for a while.

In a recent letter to Congress,⁴ the American Council on Education (ACE) provided an excellent overview of the challenges facing the higher education sector:

“Our associations have previously shared detailed estimates identifying at least \$120 billion in new expenses and lost revenue that are the direct result of the pandemic. While it is too soon to have a detailed summary of all the losses and new expenses institutions are facing on a national level, we have been able to survey institutions and provide a clearer picture of the pandemic’s impact on students and colleges. In almost all areas, the impact is worse than anticipated...”

¹ [“The Decline and Recovery of Consumer Spending in the U.S.”](#) by Thomas Mitterling, Nirai Tomass, Kelsey Wu of Brookings, December 15, 2020.

² [Fall 2020: Current Term Enrollment Estimates](#). National Student Clearinghouse Research Center. December 17, 2020.

³ Quoted in [“Stimulus deal delivers billions in pandemic aid to colleges, but much more is needed, advocates say”](#) by Danielle Douglas-Gabriel Dec. 21, 2020. Washington Post.

⁴ American Council on Education, December 2, 2020, [letter to Congress](#).

The situation currently facing America's colleges and universities is a crisis of almost unimaginable magnitude. Colleges and universities have already pushed their financial capacities to the limits in addressing this crisis. As detailed above, campuses are now dealing with a massive, accumulated loss of revenue that is likely to grow worse in the near future, and in most areas will persist for several years. This is taking place at a time when nearly all operational costs have significantly increased, to a degree beyond what could have been reasonably expected. The result of this has been devastating and widespread: programs have been closed; schools have drained what reserves they had and most troublingly for institutions, according to the Bureau of Labor Statistics more than 484,000 higher education employees have been laid off since February, more than 12 percent of the overall workforce.”

ACE's subsequent reaction to the \$21.2 billion allocated to higher education in the second round of stimulus funding was sobering, “The money provided in this bill will provide some limited relief, which is welcome news to struggling students and institutions. But it is not going to be nearly enough in the long run or even the medium term...The financial impact of the pandemic and its economic fallout will be enormous.”⁵

Beyond the impact of the pandemic, other challenges loom given changing demographics; college enrollments are facing a cliff in 2026 and will be declining through 2037.⁶ As more information becomes available about the state of the U.S. economy and the outlook for higher education, this will inform further adjustments to the FY22 preliminary budget.

FY22 Local Outlook

To guide staff in further refining the preliminary budget, it will be helpful to understand what new frontline information you have from your local context as it relates to the U.S. economy and higher education at the national level. In fall 2020, the Budget and Finance Committee had an insightful discussion and shared the financial climate on their campuses, which confirmed the assertions made in the FY22 assumptions.

As institutions adjust to operating during a pandemic, we are interested to know if what we heard in the fall is still true or if new data/trends have surfaced. It would be helpful for the Board to share current information pertaining to the following:

1. Enrollment at your institution (winter drop rate, spring quarter/semester course registrations, acceptance rate from high school seniors to matriculate next fall, projections about retention of freshman class to sophomore)
2. New degree programs/certificates, other curricular changes to attract new/different students.
3. College/university financial outlook – beyond tuition – to endowment, fundraising, etc.

⁵ American Council on Education. [Higher Education Receives More Than \\$20 Billion in COVID-19 Relief Funding](#). December 21, 2020.

⁶ “[The Demographic Cliff: 5 Findings From New Projections of High-School Graduates](#)” by Eric Hoover, Dec. 15, 2020, Chronicle of Higher Education.

4. Conversations in your library/consortia/state chapter about professional development funding for librarians (for membership/continuing education) and for purchasing professional publications.

404 FY22 CHOICE Budget: First Pass

12/15/2020

| | | FY22B |
|--|--|------------------|
| TOTAL REVENUES | | 2,242,842 |
| TOTAL EXPENSES | | 2,487,276 |
| NET REVENUES | | (244,435) |
| REVENUE | | |
| SUBSCRIPTIONS | | |
| 3900 | 4110 Choice magazine | 310,022 |
| 3901 | 4110 Reviews on Cards | 60,955 |
| | Subtotal: Choice Print | 370,977 |
| 3913 | 4110 Choice Reviews | 578,730 |
| | Subtotal: All Choice | 949,706 |
| 3905 | 4110 Resources for College Libraries | 130,000 |
| 3918 | 4110 ccAdvisor (Choice) | 33,000 |
| 4110 | TOTAL SUBSCRIPTIONS | 1,112,706 |
| ADVERTISING & SPONSORED CONTENT | | |
| 3907 | Choice magazine net | 143,250 |
| 3913 | Choice Reviews net | 28,650 |
| 3914 | Choice content marketing net | 224,425 |
| 3918 | ccAdvisor net | 4,775 |
| | Total Advertising x Webinars | 401,100 |
| 3909 | Webinars net | 170,468 |
| | TOTAL ADVERTISING & SPONSORED CONTENT | 571,568 |
| ROYALTIES | | |
| 3900 | 4421 Choice (CCC, reprints, etc.) | 11,300 |
| 3902 | 4421 Choice reviews | 477,768 |
| 3905 | 4421 Resources for College Libraries | 10,000 |
| | TOTAL ROYALTIES | 499,068 |
| MISCELLANEOUS SALES | | |
| 3900 | 4109 Misc. Sales | 2,500 |
| 3913 | 4109 EBSCO affiliate fee | 12,000 |
| | TOTAL MISC SALES | 14,500 |
| MISCELLANEOUS REVENUE | | |
| 3900 | 4490 Remaindered books | 45,000 |
| | TOTAL MISC REVENUE | 45,000 |
| TOTAL REVENUES | | 2,242,842 |
| EXPENSES | | |
| | Payroll and Related Expenses | 1,652,347 |
| | Outside Services | 81,481 |
| | Travel and Related Expenses | 14,450 |
| | Meetings and Conferences | 13,000 |
| | Publication-related Expenses | 252,550 |
| | Operating Expenses | 211,325 |
| | TOTAL DIRECT EXPENSES | 2,225,153 |
| | TOTAL INDIRECT EXPENSES | (38,993) |
| | IUT/Overhead | 297,177 |
| | IUT/Allocations (Liberty Square) | 3,940 |
| | UBIT | 0 |
| | TOTAL OVERHEAD | 301,117 |
| TOTAL EXPENSES | | 2,487,276 |

ACRL Budget & Finance Committee

Brainstorm document: Determining the appropriate amount for ACRL to maintain as its net asset balance.
Draft: January 26, 2018 | Georgie Donovan
Subgroup: Georgie Donovan, Rickey Best, Kevin Wade Merriman, Tara Baillargeon

Net Asset Balance: The accumulated revenues minus expenses for ongoing operations. Funds remaining at any given time are the net asset balance. For ACRL, interest earned on the net asset balance returns to ALA (not to ACRL). ALA earns a very modest return on ACRL's net asset balance. In FY16, the rate of return was 2.64% (ACRL MW17 B&F Doc 11.0). Calculating since 1991, the average rate of return was 4.72% (ACRL MW17 B&F Doc 11.0).

Long Term Investment (LTI): The active management of a pool of securities, which includes equities, fixed income (bonds) and real estate investment trusts for the purpose of growing the corpus, assets, and investment resources so as to support current and future Association needs. ACRL earns income from the funds it places in the ALA LTI. The ALA LTI is sometimes described as the "endowment." It is one account and the Endowment Trustees make decisions about asset allocation. Income (interest and dividends), capital appreciation (realized/unrealized gains and losses), and bank fees are proportionately allocated to our share of the endowment (ACRL MW17 B&F Doc 11.0). At the close of FY17 the total ALA LTI was \$43,542,028.

ACRL and CHOICE Net Asset and Long-Term Investment Fund Balances

(2006-2016 columns: ACRL MW17 Joint Board & B&F Doc 2.0; 2016-17 column: August 2017 final close performance reports)

| | 2006-07* | 2007-08 | 2008-09* | 2009-10 | 2010-11* | 2011-12 | 2012-13* | 2013-14 | 2014-15* | 2015-16 | 2016-17* |
|---|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| ACRL Closing Net Asset Balance | \$3,384,614 | \$3,298,608 | \$3,854,778 | \$3,661,257 | \$4,165,480 | \$3,943,096 | \$4,647,419 | \$4,324,706 | \$5,002,115 | \$4,389,385 | \$4,687,947 |
| Transfers from Net Asset Balance to LTI | \$0 | \$0 | \$0 | \$0 | \$75,000 | \$0 | \$0 | \$0 | \$150,000 | \$250,000 | \$250,000 |
| ACRL LTI Principal | \$1,936,362 | \$1,791,275 | \$1,646,026 | \$1,743,644 | \$2,011,580 | \$2,148,558 | \$2,363,276 | \$2,806,669 | \$2,903,373 | \$3,332,978 | \$3,924,498 |
| ACRL Award Endowments *** | \$178,690 | \$170,558 | \$155,158 | \$164,911 | \$177,297 | \$185,009 | \$198,287 | \$233,587 | \$224,150 | \$234,904 | \$255,527 |
| Sum of LTI Principle & Award Endowments | \$2,115,052 | \$1,962,323 | \$1,801,184 | \$1,908,555 | \$2,188,877 | \$2,333,567 | \$2,561,563 | \$3,040,256 | \$3,127,523 | \$3,567,882 | \$4,180,024 |
| Rate of Return** | | | | | | 10.5%** | 17.5%** | 7.7%** | -2.9%** | 5.8%** | |

* ACRL Conference Years

** Calendar Year End

*** Atkinson, Oberly, Leab award endowments

Additional Reference Documents

[ALA Statement of Revenues and Expenses by Division, February 2015](#)

History of ACRL Endowment Transfers FY12–FY16 | ACRL MW17 Joint Board & B&F Doc 3.0

ALA Endowment Policy 8.5.1 (Spending/Payout/Distribution/Withdrawal) | ACRL MW17 Joint Board B&F Doc 4.0

[How Much in Reserve Funds Should Your Nonprofit Have?](#)

Michael Daily, Executive Director of the Executive Service Corp

Article suggests 6 months operating expenses is a good reserve | and no less than 3 months operating expenses.

Operating Reserves: What are appropriate levels and what is typical in the nonprofit sector?

National Center for Charitable Statistics, Center on Nonprofits & Philanthropy at the Urban Institute, + United Way Toolkit to determine how many risk factors your organization has; suggests a 3 – 6 month reserve based on risk.

Statement of Revenues & Expenses FY2017 12 Month Financials

from pg. 13 | [Division Statement of Revenues and Expenses](#) | [ALA Results of Operations FY2017](#) | [Twelve Month Financials](#) | [EBD #4.2](#) / [BARC #4.0](#)
available at <http://www.ala.org/aboutala/ebd-inventory-2017-2018>

| FY17 | YTD Actual | YTD Budgeted | Prior Year Actual | Beginning Net Assets | Transfers | End Net Assets |
|--------------|-------------------|---------------------|-------------------|----------------------|---------------|---------------------|
| AASL | -\$703,939 | -\$454,637 | \$58,956 | \$757,638 | - | \$53,699 |
| ACRL | \$548,562 | -\$295,404 | -\$360,851 | \$4,389,385 | \$250K | \$4,687,947 |
| ALCTS | \$83,842 | -\$43,606 | -\$2,850 | \$219,866 | - | \$303,708 |
| ALSC | \$285,121 | -\$22,012 | \$316,953 | \$2,461,926 | \$162K | \$2,585,047 |
| ASCLA | -\$5,828 | -\$9,548 | \$22,087 | \$136,447 | - | \$130,619 |
| CHOICE | -\$166,361 | -\$255,899 | -\$236,392 | \$2,648,059 | - | \$2,481,698 |
| LITA | -\$8,180 | -\$9,446 | \$17,451 | \$407,081 | - | \$398,901 |
| LLAMA | \$9,877 | -\$46,320 | -\$4,486 | \$195,479 | - | \$205,356 |
| PLA | -\$403,705 | -\$814,693 | \$1,042,922 | \$3,464,585 | - | \$3,060,880 |
| RUSA | -\$92,579 | -\$86,308 | -\$82,523 | \$382,110 | - | \$289,531 |
| UFL | -\$16,741 | \$2,985 | -\$18,084 | -\$193,175 | - | -\$209,916 |
| YALSA | -\$117,974 | \$47,779 | -\$36,474 | \$233,835 | - | \$115,861 |
| TOTAL | -\$594,267 | -\$1,987,109 | \$716,707 | \$15,103,236 | \$412K | \$14,096,969 |

Relevant Discussion Issues

selected from the Greater Washington Society of CPAs Educational Foundation | Nonprofit Accounting Basics
<http://www.nonprofitaccountingbasics.org/reporting-operations/statement-financial-position>

Is our cash balance increasing or decreasing?

What are current vs. long-term membership dues trends?

Are we preparing for future programming?

Have we invested enough (or too much) in the strategic plan? In staffing?

Do we need to upgrade our equipment or technology?

PROPOSALS**Primary recommendation:**

Reduce the amount of the net asset balance for ACRL by spending down to a reasonable amount, ideally between 3-6 months of operating reserve (3 months = more risk tolerant; 6 months = more conservative). Base the operating reserve on either revenues or expenditures from conference years (which have larger budgets).

Secondary recommendations:

(a) Develop a separate group for determining how to spend these funds and over what period of time.

(b) Develop a strategy to spend the income from the Long Term Investment endowment every year.

Notes:

- Total revenues and expenditures (next page) are taken from pg. 89 of the [ACRL MW17 B&F Packet21 : Memo re: 4th Quarter Budget Report, FY2017](#)
- The most recent ACRL Conference (2017) had revenues of ~\$2,815,300; other revenues come from publications (~\$1,122,000 without CHOICE), dues (~\$638,000), other educational offerings (~\$650,000), etc. based on FY17 final close.

Proposal #1 (low risk):

Maintain a balance of **six months** reserve based on **total revenues** from the past two conference years (average of 2)

| | | | |
|---|---|-------------|--|
| Average of FY17 final close (\$5,368,999) + | | | |
| FY 15 (\$5,282,284) total revenues | = | \$5,325,641 | |
| | ÷ | 2 | (to get six months / one half of year) |
| <hr/> | | | |
| Net asset balance should be | | \$2,662,820 | |

Proposal 2 (mid risk):

Maintain a balance of **six months** operating reserve based on **total expenditures** from two conference years (average of 2)

| | | | |
|--|---|-------------|--|
| Average of FY17 (\$4,820,438) + | | | |
| FY 15 (\$4,604,875) total expenditures | = | \$4,712,656 | |
| | ÷ | 2 | (to get six months / one half of year) |
| <hr/> | | | |
| Net asset balance should be | | \$2,356,328 | |

Proposal 3 (high risk):

Maintain a balance of **four months** reserve based on **total revenues** from the past two conference years (average of 2)

| | | | |
|------------------------------------|---|-------------|--|
| Average of FY17 (\$5,368,999) + | | | |
| FY 15 (\$5,282,284) total revenues | = | \$5,325,641 | |
| | ÷ | 3 | (to get four months / one third of year) |
| <hr/> | | | |
| Net asset balance should be | | \$1,775,213 | |

Council of Higher Education Management Associations Operating Reserve Policies

| Amount of Reserves | | |
|--------------------|---|---|
| Association | Response | ACRL reserve levels if using other association's policies |
| ASAE | 6-12 months as a rule of thumb | 6 months = \$4,137,542 12 months = \$1,034,386 |
| ACCED-I | 9 months of operating budget | \$3,103,157 |
| ACUHO-I | 6 months of current annual budget | \$2,068,771 |
| ACUI | 50% of annual expenses | \$2,068,771 |
| AFSA | 50% of the operating budget | \$2,068,771 |
| AIR | 6 months of annual budget | \$2,068,771 |
| APPA | 6 months - own their HQ | \$2,068,771 |
| CSHEMA | 6 months of annual budget | \$2,068,771 |
| CUPA-HR | 12 months - own their HQ | \$4,137,542 |
| EDUCause | 6 to 12 months of annual budget | 6 months = \$4,137,542 12 months = \$1,034,386 |
| IACLEA | 9 months of annual budget | \$3,103,157 |
| NACADA | 1.5 times the annual budget | \$6,206,313 |
| NACAS | \$250K Current operations reserve, \$50K capital reserves, \$150K future operations reserve | \$450,000 |
| NACE | 12 months of the annual budget | \$4,137,542 |
| NACUBO | 3 months (liquid), plus \$1.5 million for one-time special initiatives | \$2,534,386 |
| NACUFS | No fixed amount; however have 12 months of annual operations | \$4,137,542 |
| NASFAA | 6 months | \$2,068,771 |
| NIRSA | 75% of annual budget (down from 100%) | \$3,103,157 |
| NODA | 50% of current annual budget | \$2,068,771 |
| SCUP | 15% of the annual operating budget | \$155,158 |
| UPCEA | 6 months of the annual budget | \$2,068,771 |
| URIMA | Fixed annual conference expenses, plus 75% of budget general & admin expenses | \$3,103,157 + approximately \$1 million for ACRL Conference spent annually. |

Note: ACRL Reserve \$ based on \$4,137,542, which is the average of the past 4 years of expenses (FY15 - FY18). Average of last 4 years used due to the peak for the biennial ACRL Conference in odd years.

Note: Document previously prepared for packet shared in FY19.

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ACRL Budget & Finance Committee Discussion Form

To: ACRL Budget & Finance Committee

Subject: ACRL Organizational Member Benefits & Dues

Submitted by: Mary Jane Petrowski, ACRL Associate Director

Date submitted: January 29, 2021

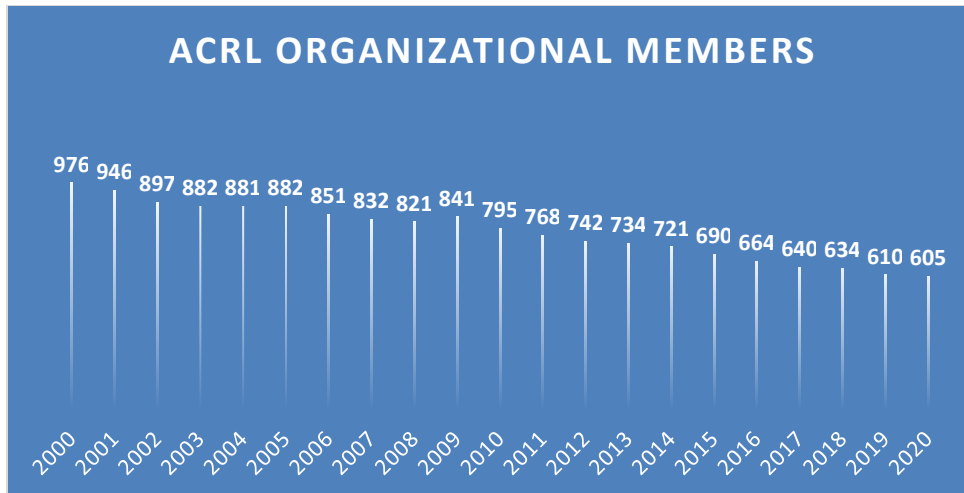
Background

ACRL offers membership to individuals as well as to organizations. In both instances, members first join ALA then add on ACRL membership. ACRL's organizational dues rate is \$125 while the ALA rate ranges from \$175 to \$2,000 based on FTE (see [ACRL organization membership application](#) for breakdown.)

Since 2000 ACRL organizational membership has declined 38% from 976 to 605 (a loss of 371 members and almost a million dollars in dues revenue). This membership decline accelerated in the wake of the 2008 recession and continues at a rate of 2% to 4% per year.

ACRL organizational dues have remained unchanged since 2011 (see Doc 11.1 for ACRL organizational dues history) while ALA dues for academic library organizational members continued to increase. Because ALA dues for academic libraries are based on FTE student enrollment, schools with >30,000 FTE have seen the biggest increase in dues (with a concomitant slide in membership), with dues now at \$2,000 per year. It is not surprising that ACRL organizational members in the "very large" sector have declined by 31% since 2008 (from 132 to 91). The chart below shows the organizational membership decline in more detail.

Electronic submission is preferred for all Board forms. If electronic submission of the entire document is not possible, please send the Discussion Form to ACRL Program Officer Allison Payne electronically at apayne@ala.org and the remainder in hard copy.



ACRL offers a few benefits to organizational members, such as discounts, in addition to those ALA offers. (See Doc 11.2 for current ACRL and ALA organizational member benefits.) Our value proposition for organizational members is not as strong as we would like, ACRL staff have considered how we might strengthen it while also increasing our dues revenue. Before proceeding with a recommendation for Board action, we believe our thinking would benefit from further discussion with the Budget and Finance Committee. (See Doc 11.3 for value propositions as articulated by organizational members.)

Questions for the Budget and Finance Committee to Discuss

1. ALA has recently added complimentary access to the ALA-APA Salary Survey as an organizational member benefit and ACRL could do likewise by providing complimentary access to our benchmarking service, ACRL Metrics, which is undergoing a substantial upgrade to be completed by September 1, 2021. The current rate for library subscriptions to ACRL Metrics are: \$275 for survey participants, \$352 for ACRL organizational members, and \$412 for non-members. Currently 93 (15.3%) of our current ACRL organizational members also subscribe to ACRL Metrics. Providing complimentary access would require increasing organizational member dues.
 - a. Would complimentary access to ACRL Metrics be an attractive benefit to attract new organizational members?
 - b. How would increasing organizational member dues (likely in the range of \$75-\$100) be received? An increase of \$75 - \$100 would offset some of the data collection expenses associated with fielding the survey that sustains our benchmarking tool while maintaining and hopefully increasing membership. Please consider dues rates for other organizations your library / institution may belong to and their value proposition (e.g., CNI, SPARC, Educause, etc.)

2. ACRL could also align organizational member benefits with our Core Commitment by offering a 10% Diversity Alliance membership discount (\$50). In principle, is this a benefit ACRL should offer?
3. What other benefits might be valuable to potential and existing organizational members?

Stakeholders

We have not formally surveyed ACRL organizational members but have anecdotal evidence that the cost of dues is not equal to the value of organizational membership. In the face of budget cuts, library directors have informally told staff that memberships in other associations must be prioritized. For some ARL libraries, for example, memberships in other associations are more important than ACRL.

Strategic Goal Area Supported

Please add additional sheets as needed to explain. Select the goal area that will be affected most by this action.

☐ Value of Academic Libraries

Goal: Academic libraries demonstrate alignment with and impact on institutional outcomes.

☐ Student Learning

Goal: Advance innovative practices and environments that transform student learning.

☐ Research and Scholarly Environment

Goal: Librarians accelerate the transition to more open and equitable systems of scholarship.

☐ New Roles and Changing Landscapes

Goal: Academic and research library workforce effectively navigates change in higher education environments.

☒ Enabling Programs and Services

ACRL programs, services, and publications that target education, advocacy, and member engagement.

ACRL Organizational Dues History

Prior to 1975 ALA organizational members could join any two divisions at no additional cost.

In 1989 ACRL members approved a second dues increase so that ACRL organizational members joining or renewing after September 1, 1989 paid \$35 annually.¹

In 1997-98, the cost of additional section affiliations rose to \$5.00.²

In 1998 the Board voted to set organizational dues at \$90 per year beginning in FY1998-99.³

Organizational and corporate dues increased to \$110 in January 2005.⁴

In 2011 the Board raised dues for organizational and corporate members to \$125 effective September 1, 2011 (FY12).

¹ Linda J. Piele, "Why ACRL members should vote to increase their dues," *C&RL News* 50, no. 4 (1989): 296-302. "Dues increase passed," *C&RL News* 50, no. 7 (1989): 596. According to the *1990-91 ALA Handbook of Organization* (p. 284), members could choose one complimentary section from Category 1 (CJCLS, CLS, or ULS), and one complimentary section from Category 2 (the remaining sections). Additional section affiliations were \$2.00.

² *ALA Handbook of Organization, 1997-98*, "Application for Personal Membership, 1998." The section categories were removed, and members choose to affiliate with any two sections for free.

³ See 1997-98 Midwinter Board Meeting FYI-4, "ACRL Board of Directors 1997-98 Email Ballot ACRL Response to Dues Increase for Organizational Members, Nov. 24, 1997" confirming that the Board voted to raise organizational dues to \$90. The increase is also noted in the budget assumptions for 1998-99.

⁴ ACRL Board Minutes, January 18, 2005, item 24.2, p. 19.

Current ACRL Organizational Member Benefits

- 10% discount on ACRL publications
- 10% discount on ACRL road shows
- 10% discount on ACRL consulting services
- 14.5% discount on ACRL Metrics subscriptions
- Complimentary subscription to C&RL News (in print)
- Discounts on print classified ads in C&RL News (amount varies by type of ad)
- Complimentary organizational profile on ACRL Insider

Proposed New ACRL Organizational Member Benefits

- 10% discount on the Diversity Alliance membership for organizational members.
- Complimentary subscription to ACRL Metrics, a benchmarking tool valued at \$352 for organizational members and \$412 for non-ACRL organizational members.

Current ALA Organizational Member Benefits

1. 360 COverage Pros - Cyber Insurance
2. 4imprint
3. ALA Advocacy & Public Policy Tools
4. **Complimentary access to ALA-APA Salary Survey Database – new benefit as of FY21**
5. ALA JobList (discounts on listings)
6. ALA Products & Publications discounts
7. *Booklist Online* Discounts
8. Conference Group Rate Pricing Discounts (for organization member staffer staffers who are not ALA members)
9. Drive Savers Data Recovery
10. E-newsletter from ALA-APA
11. Library Insurance program – Arthur J. Gallagher & Co.
12. Library Worklife E-newsletter
13. Library Salary Toolkit
14. Office Supply Discount Program - Office Depot
15. Organizational Membership Badges
16. UPS Savings Program
17. UPS Savings Program - Canadian members

Value Propositions for ACRL Organizational Members
(from [organizational member spotlight](#) profiles on ACRL Insider blog)

- ACRL workshops, conferences, publications, and other programs have been the “go to,” authoritative places of professional librarians at the University of South Alabama and elsewhere for decades. ACRL standards are particularly useful, for instance, in validating and guiding our practices and programs. The Framework for Information Literacy is a case in point, serving as a tool for developing our instructional programs and validating them to university administration and faculty.
- We value ACRL’s role in pulling academic librarians together to listen to each other.
- We value the ACRL community and appreciate opportunities to learn and connect with members at conferences and through useful discussion lists.
- We value the opportunity for professional growth and the continued exchange of ideas with our fellow academics. Connecting with colleagues through ACRL allows us to move beyond our daily context and be reminded of the broader challenges and successes in academia/academic libraries. We also value the opportunities that our engagement with ACRL provides to shape the future of the profession.
- We value ACRL’s active support of academic librarians’ efforts in advocacy, information literacy and student learning, scholarly communication issues, and the value of academic libraries.
- ACRL provides information and scholarly research on topics that most affect academic libraries. Having access to their resources is a boon in furthering communication and collaboration among academic librarians. Its efforts, in particular, regarding information literacy and the development of the original standards and new framework are tools and discussions that help shape instructional services directed towards students’ needs.



Plan for Excellence

Association of College & Research Libraries

Approved April 20, 2011 — Effective July 1, 2011

Reaffirmed September 2013. Revised November 2019.

Preamble

The strengths and capacities of ACRL have enabled the association to sustain exemplary programs and results for its members and to shape policies and practices of vital interest to higher education.

ACRL's Plan for Excellence continues that path and focuses attention on four areas that capitalize on our strengths, deliver high member value, and heighten our impact:

- Value of Academic Libraries
- Student Learning
- Research and Scholarly Environment
- New Roles and Changing Landscapes

These strategic areas will be supported by financial and operational planning, and will guide the development and implementation of programs and services that target education, advocacy and member engagement.

ACRL's leadership views strategic thinking and planning as an ongoing process. Adoption of this plan for excellence affirms the general intent and direction articulated by the association's core ideology, envisioned future, shorter-term goals, and objectives. Progress will be assessed annually and will guide the operational planning process. The plan for excellence will be updated based on achievement of the goals and their continued relevance as new needs and opportunities arise.

Timeless Core Ideology

Core Purpose

To lead academic and research librarians and libraries in advancing learning and scholarship.

Core Organizational Values

ACRL is committed to:

- visionary leadership, transformation, new ideas, and global perspectives
- exemplary service to members
- equity, diversity, and inclusion
- integrity and transparency
- continuous learning
- responsible stewardship of resources
- the values of higher education, intellectual freedom, the ALA Ethics policy, and "The Library Bill of Rights"

Core Commitment

ACRL is dedicated to creating diverse and inclusive communities in the Association and in academic and research libraries. This core commitment permeates the work of the Association, cutting across all ACRL sections, committees, interest and discussion groups, and communities of practice. The Association will acknowledge and address historical racial inequities; challenge oppressive systems within academic libraries; value different ways of knowing; and identify and work to eliminate barriers to equitable services, spaces, resources, and scholarship.

Long-term Envisioned Future Vision

Academic and research librarians and libraries are essential to a thriving global community of learners and scholars.

Vivid Description of a Desired Future

ACRL elevates the position, recognition, and impact of all academic and research libraries and librarians as catalysts in exceptional research and learning. Academic libraries play a critical role in building diverse, welcoming, and equitable communities; developing inclusive organizations, spaces and services; guarding against policies and practices that intentionally or unintentionally create racial inequalities; embodying diversity in the profession; and creating conditions so that all users are respected and supported in their intellectual dialogues and pursuits. Librarians and their colleagues design services that provide scholars and learners the unfettered ability to create, access, evaluate, and use knowledge. College and university students are information literate, informed scholars and citizens who value the opinions, perspectives, and experiences of others. Facile use of information sources and discovery techniques enables them to succeed in their coursework and future careers preparing them to lead new national and global initiatives. Partnering with academic librarians to collect and organize research data, faculty break new ground in their respective fields. Academic libraries, constantly transforming to meet the evolving needs of their campuses, are central to educational and research efforts.

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Five-Year Goals and Objectives

Value of Academic Libraries

Goal: Academic libraries demonstrate alignment with and impact on institutional outcomes.

Proposed Objectives:

1. Cultivate research opportunities that communicate the impact of academic and research libraries in the higher education environment.
2. Promote the impact and value of academic and research libraries to the higher education community.
3. Expand professional development opportunities for assessment and advocacy of the contributions towards impact of academic libraries.
4. Support libraries in articulating their role in advancing issues of equity, access, diversity, and inclusion in higher education.

Student Learning

Goal: Advance equitable and inclusive pedagogical practices and environments for libraries to support student learning.

Proposed Objectives:

1. Empower libraries to build sustainable, equitable, inclusive, and responsive information literacy programs.
2. Collaborate with internal and external partners to expand understanding of the impact of information literacy on student learning.



Research and Scholarly Environment

Goal: The academic and research library workforce accelerates the transition to more open and equitable systems of scholarship.

Proposed Objectives:

1. Increase the ways ACRL is an advocate and model for more representative and inclusive ways of knowing.
2. Enhance members' capacity to address issues related to scholarly communication, including but not limited to data management, library publishing, open access, and digital scholarship, and power and privilege in knowledge creation systems.
3. Increase ACRL's efforts to influence and advocate for more open and equitable dissemination policies and practices.

New Roles and Changing Landscapes

Goal: The academic and research library workforce effectively fosters change in academic libraries and higher education environments.

Objectives:

1. Deepen ACRL's advocacy and support for the full range of the academic library workforce.
2. Equip the academic library workforce to effectively lead, manage, and embrace change, advocate for their communities, and serve as a catalyst for transformational change in higher education.
3. Increase diversity, cultivate equity, and nurture inclusion in the academic library workforce.



ALA Operating Agreement Work Group

Charge: To evaluate, assess, and make recommendations to the [ALA Operating Agreement](#) that defines the relationship between ALA and Divisions. Specifically, the WG will examine how the existing Operating Agreement is fulfilling the mission and values of the association as well as the financial structure that supports the joint and individual goals of the Association and Divisions. In addition, the WG will examine the relationship between ALA and the Roundtables and will provide recommendations that guide that relationship as well. The Operating Agreement values unity, diversity, authority, autonomy, and collaboration. These values will guide the WG in its assessment and communication.

Work Group Website

The Work Group's website (<https://operatingagreement.ala.org/>) includes the minutes, background documents, reports, timeline, and roster.

Midwinter 2021 Report

- [ALA Executive Board Doc 10.3 Operating Agreement Work Group Update](#)