

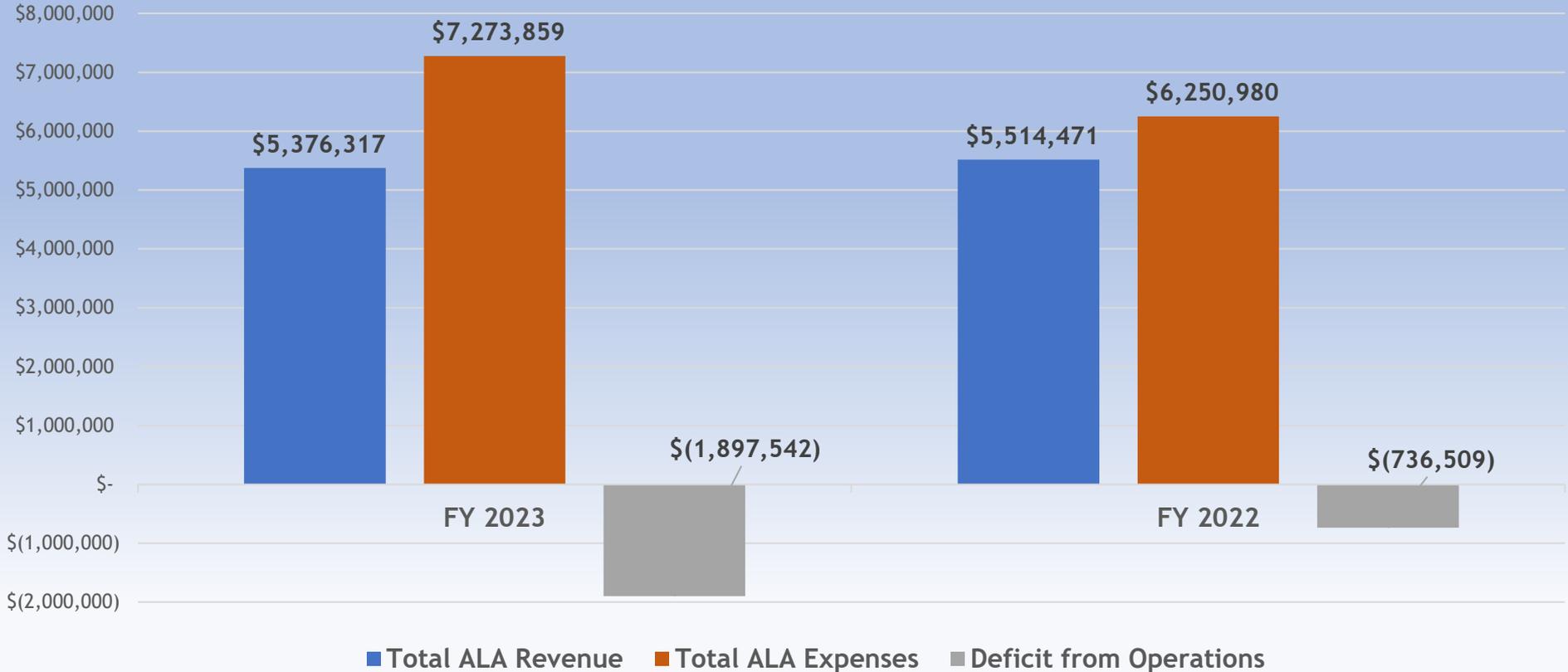
ALA Treasurer's Report

Virtual Information Session for Members,
Councilors, and Executive Board
January 2023

FY23 Sept.-Oct. Financial Results

ALA American Library Association

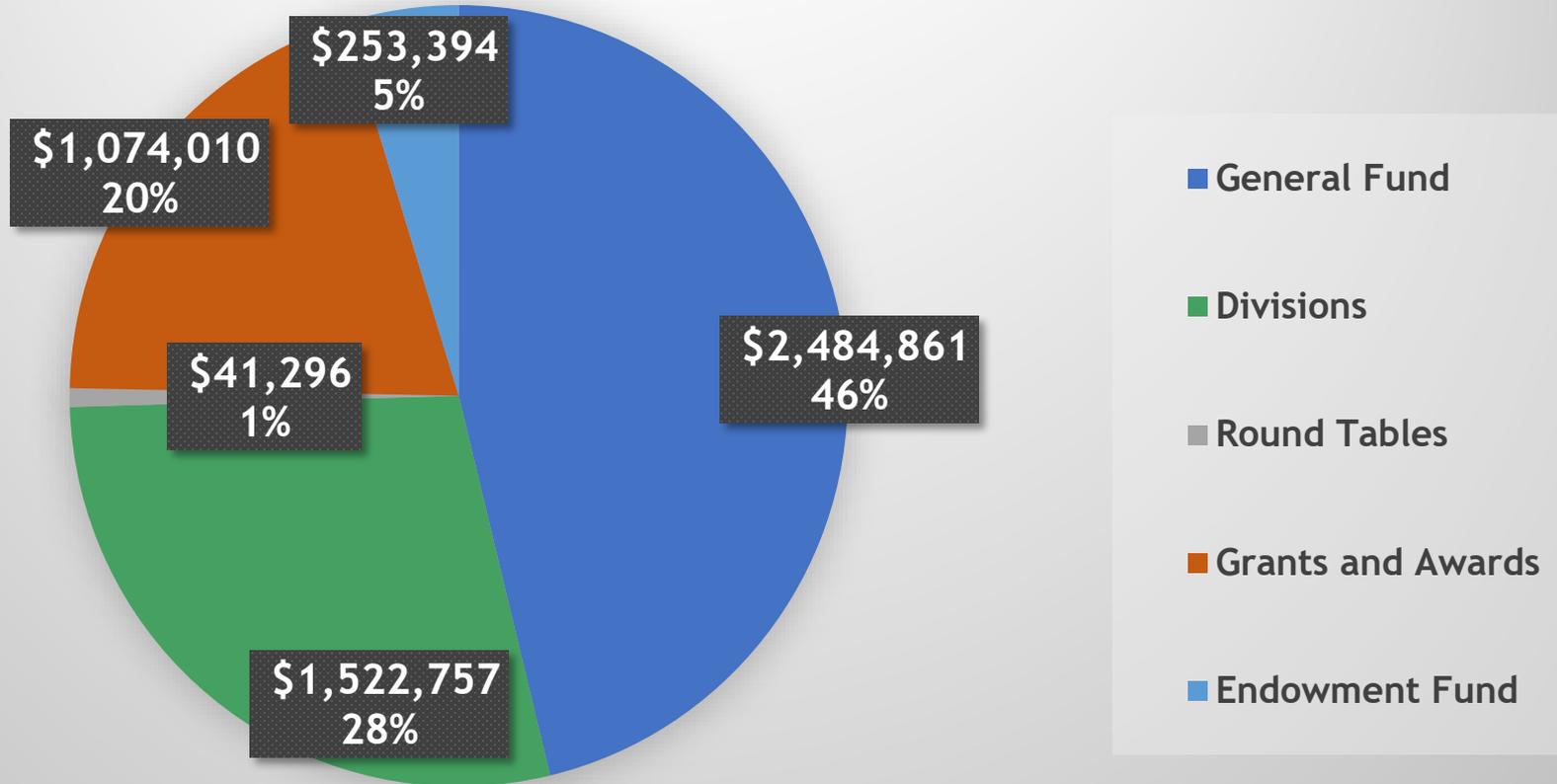
Total ALA Actual Revenue and Expenses FY 2023 and FY 2022



ALA American Library Association

FY2023 Total Revenue by Fund

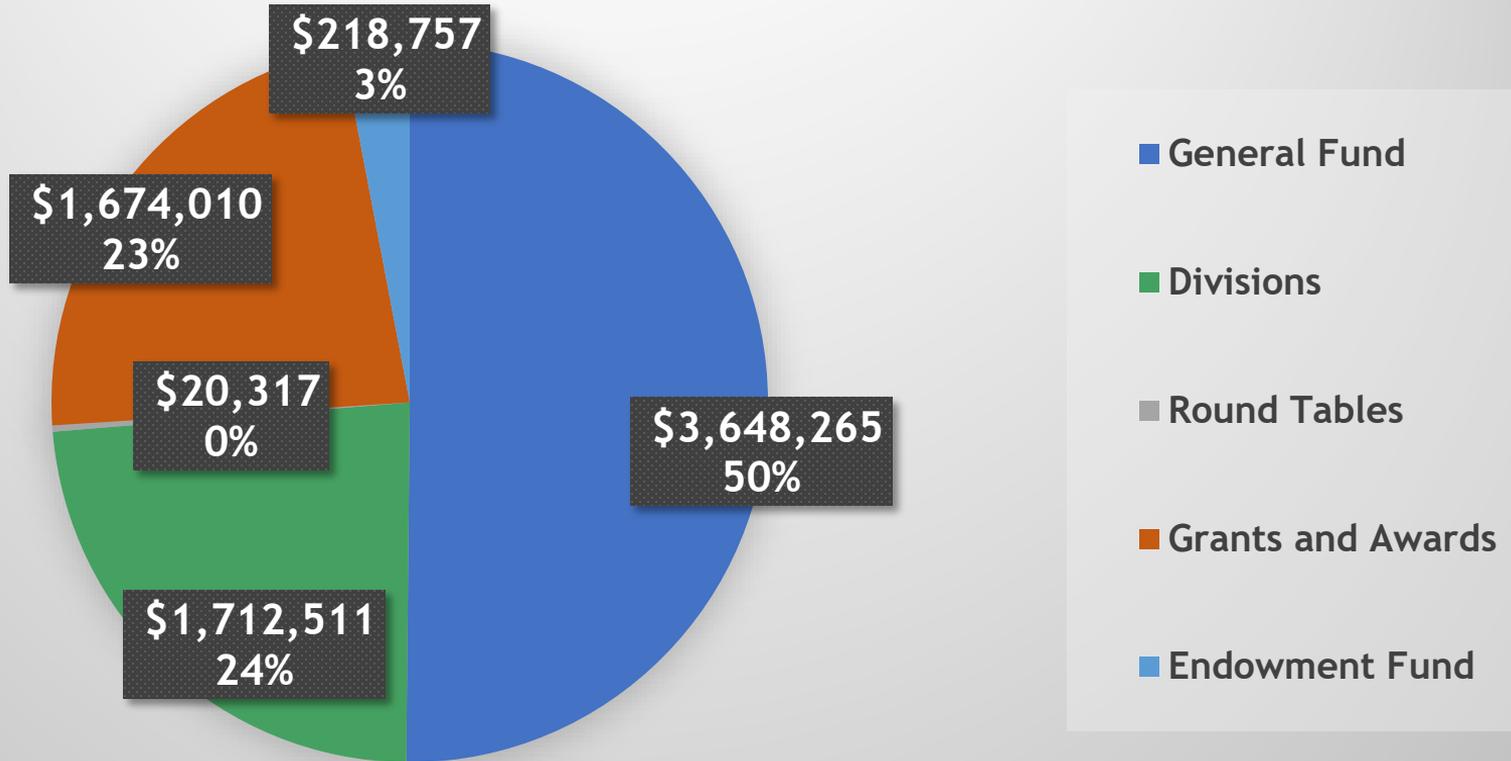
September through October 2022



ALA American Library Association

FY 2023 Total Expenses by Fund

September through October 2022



FY24 Budget Objectives and Programmatic Priorities

Budget Objectives

- Budget Assumptions
 - Positive revenue/expense budget
 - 3% salary increase for staff
 - 26.5% overhead

Budget Objectives

- **Tactical Goals based on the Pivot Strategy**
 - Membership: 18% market share
 - 6 Revenue Streams (Continuing Education, Contributed Revenue, Conference, Membership, Publishing & Media and Data Design & Research)
 - All General Fund Units tracked to \$ generating
 - 8 Divisions with 75% of Membership
 - Public facing Annual Conference
 - LibLearnX Event
 - Culture of One ALA
 - Centralized Continuing Education
 - ALA aligned to ASAE/Association industry standards
 - Testing public markets for internal products
 - Strategic hires only

Budget Objectives

- Positive revenue/expense budget
- Rebuild membership base
- Monitor new revenue sources
- Develop budget surplus
- Focus on financial stability and growth
- Develop new budget metrics



Operating Agreement Implementation



Operating Agreement

Develop a new budget process that is clear, consistent, collaborative, and employs strong communication throughout the Association.

Eliminate the internal transfer of Division funds referred to as “overhead” to develop a new process for funding shared operational and member valued services through a new budget process.

Consider a budget process for Round Tables and some ALA units who internally transfer funds as “overhead” to determine if this practice should continue or if a new budget process manages these expenses.

Operating Agreement

Determine a strategy that addresses the historical Net Asset Balances as a new budget process is developed.

Determine a strategy that accounts for revenues over expenses to fund initiatives, reserves, and/or adding to the ALA endowment.

Develop accountability measures that review and ensure quality shared services.

Operating Agreement

- Update on the work so far
 - Subgroup work
 - Integrating the larger group
 - Challenges
 - Timeline
 - Outside consultant

Operating Agreement

Two questions

1. Describe how, in the absence of overhead, you might envision funding for shared operational and member valued services through a new budget process.
2. What do you see as the characteristics of a successful new budget process in ALA?



Have a great time at LLX 2023!