

Core FY22 FINAL Financial Report

Operating result through August 2022 (Month 12, FY22)

	FY21 Actual	FY22 Budget	Variance	FY22 Actual
Revenues	\$ 668,749	\$ 909,800	\$ (320,469)	\$ 589,331
Expenses	\$ 676,004	\$ 922,969	\$ 289,331	\$ 633,638
Net	\$ (7,255)	\$ (13,169)	\$ (31,138)	\$ (44,307)

Summary:

Both revenue and expense are well under budget, resulting in a negative variance of (\$31,138), compared to budget. Note that beginning in mid-April, the executive director began splitting time/salary with the ALA Communications and Marketing Office. This arrangement continued through the end of September 2022, which resulted in a positive variance in the salary line.

Offsetting salary savings are two areas of revenue concern: membership and continuing education, both noted below. The continuing variance in membership revenue, reflective of a declining membership, is the biggest threat to the Core project. The need to increase membership through by finding capacity to focus on value, is an ongoing priority of member leaders and staff. Webinar revenue is the largest variance in year-end actuals for two main reasons: fewer webinars than planned and registration was lower than expected. Continuing Education staff project that the variance will improve in fiscal year 2023. The Leadership Institute was not held in FY22 due to a lack of staff capacity, which resulted in a negative variance in FY22. This negative variance will continue in FY23 as it will not be held in fiscal year 2023, again due to lack of staff capacity. One key budget area that performed much better than FY21 is web courses, which is up \$79K in revenue.

Key Budget Areas:**ALA Overhead****Revenue:** N/A**Expense:** \$38,395 actual/\$75,857 budget/\$33,136 FY21**Administration/Operations****Revenue:** \$352 actual/\$0 budget/\$5,515 FY21**Expense:** Personnel expenses are \$506,327 actual/\$627,414 budget/\$479,022 FY21

Notes: The line reflects expected salary/benefit savings for the director position at half pay for the last 6 months of the fiscal year. The line also reflects expected salary expense for the hiring of the CE administrative assistant that became filled in February.

Overall, operational expense ended 20% under budget at \$473,394 actual/\$588,977 budget/\$483,397 FY21.

Annual Conference Programs/Events

Revenue: \$2,500 actual/\$1,500 budget/\$0 FY21

Expense: \$2,884 actual/\$6,000 budget/\$2,500 FY21

Notes: \$2,500 donation covered the \$2,500 President's Program speaker fee. The additional \$384 meals expense was for the Core Happy Hour.

Annual Conference Preconferences

Revenue: \$0 actual/\$22,000 budget/\$0 FY21

Expense: \$15,444 actual/\$15,330 budget/\$1,388 FY21

Notes: \$9,317 was received in registration revenue from preconferences, however it was incorrectly applied to the webinar revenue line. Preconference revenue was lower than budgeted due to the lower overall attendance at conference as well as the expenses incurred for the last-minute cancellation of the Core preconference on Assembling Your Toolkit preconference.

Governance

Revenue: N/A

Expense: \$562 actual/\$800 budget/\$0 FY21

Awards & Scholarships (Donations)

Revenue: \$2,400 actual/\$23,100 budget/\$4,554 FY21

Expense: \$6,699 actual/\$29,100 budget/\$5,581 FY21

Notes: Donations were 90% under budget and a little over \$2k worse than FY21. This large variance is due to the Core Awards program being cut back and put on review for FY22. The budget was based on a higher number of awards funded. A sponsor payment of \$3,500 is outstanding and will be applied to FY23.

Dues

Revenue: Dues revenue (personal, organizational, life, etc.) was 22% less than budget at \$323,682 actual/\$412,700 budget/\$382,852 FY21. This reflects the 12% decline in membership.

Expense: N/A

Journals

Revenue: Revenue is 400% over budget at \$15,009 actual/\$3,000 budget/\$18,551 FY21, with subscription revenue over budget by 100% at \$11,158.

Expense: Production expense is 45% over budget: \$37,719 actual/\$26,000 budget, and in line with FY21 expense of \$31,046.

Notes: Subscription revenue for LRTS was not planned for FY22 since it was expected to go open access. This additional revenue helped to offset the higher than budgeted production costs. The journal costs were \$6,831 higher than FY21.

Advocacy (incl. Preservation Week April 24-30)

Revenue: Donations are 39% under budget at \$4,920 actual/\$8,000 budget/\$0 FY21.

Expense: \$869 actual/\$12,000 budget/\$355 FY21.

Notes: This is the second year in a row that expense is well below budget. Having booth displays at conferences were put on hold due to the Covid-19 pandemic. Additional PW marketing ideas will be incorporated into the FY23 publicity plan.

Publications

Revenue: \$8,440 actual/\$10,000 budget/\$11,955 FY21

Expense: \$5,405 actual/\$5,614 budget/\$13,392 FY21

Notes: Revenue from book sales was 44% better than budget at \$5,035 actual/\$3,500 budget, and in line with FY21 revenue of \$5,277. Royalties were 48% under budget at \$3,405 actual/\$6,500 budget, and \$3,273 less than FY21

Web Courses

Revenue: \$175,027 actual/\$180,000 budget/\$95,911 FY21

Expense: \$61,921 actual/\$81,580 budget/\$48,816 FY21

Notes: Although revenue was 3% less than budget at \$175,027, it came in \$79,116 higher than FY21. The increase in revenue is attributed to the addition of the Fundamentals of Management course and price increase mandated by ALA that went up about \$70 a seat. We did not receive any push back on the price increase by attendees.

Webinars

Revenue: \$54,767 actual/\$149,000 budget/\$90,689 FY21

Expense: \$16,687 actual/\$46,233 budget/\$29,702 FY21

Notes: Attendance overall declined probably because of the pandemic. The Core Forum webinar series helped to fill the webinar schedule but the discount on packaged webinars meant lower revenue overall. Note: \$9,317 of the \$54,767 showing in revenue is actually preconference revenue that was incorrectly applied to this project.

Forum

Revenue: \$1,954 actual/\$0 budget/\$54,449 FY21

Expense: \$3,704 actual/\$0 budget/\$44,679 FY21

Notes: Forum was cancelled due to the Covid-19 pandemic and safety concerns. Registration revenue was fully refunded. Expenses included registration processing fees, bank service charges, marketing, and transportation fees from the staff site visit.

Endowment

Revenue: \$0 actual/\$0 budget/\$3,118 FY21

Expense: \$0 actual/\$0 budget/\$70 FY21

Product Development

Revenue: \$279 actual/\$0 budget/\$1,154 FY21

Expense: \$0 actual/\$5,000 budget/\$0 FY21

Notes: Royalties received from Corewear sales in the ALA store came in 100% over budget at \$279, which was \$879 lower than FY21.

Leadership Institute

Revenue: \$0 actual/\$100,500 budget/\$0 FY21

Expense: \$0 actual/\$90,538 budget/\$0 FY21

Notes: Development of the Leadership Institute was not carried out in FY22. This resulted in a loss of 10k in net revenue.