PLA Board of Directors Meeting
Virtual Meeting-9:00-11:00am Central, September 15, 2022

Agenda

1. **Welcome and Introductions**, *Dr. Maria Taesil Hudson McCauley, PLA President*

2. **EDISJ Work***, McCauley, all*

3. **Action Item:** Adoption of the agenda
   Additional items may be added to the agenda prior to the adoption of the agenda. Items may also be removed from the consent agenda and moved to a discussion item. The PLA Board's adoption of the consent agenda constitutes approval of those items on consent that have not been removed for discussion. PLA policies related to Board service, the strategic plan and Board roster have been included in ALA Connect as reference materials. These are not agenda items.

<u>**Consent Agenda**</u>   <u>**Document Number**</u>

4. Organizational Excellence and Governance
   a. June Board Meeting Minutes.. 2023.1

<u>**Action/Discussion/Decision Items**</u>   <u>**Document Number**</u>

5. Fiscal Year 2023 Budget Planning, *Clara Bohrer, Mary Davis Fournier, all*
   a. Proposed FY23 Budget.. 2023.2
   b. Proposed FY23 Budget notes.. 2023.3
   c. ACTION to recommend budget to Board.. 2023.4

6. New Business, *all* .... no document

<u>**Zoom Instructions**</u>

 PLA Meetings is inviting you to a scheduled Zoom meeting.

Topic: PLA Board of Directors Virtual Meeting
Time: Sep 15, 2022 09:00 AM Central Time (US and Canada)

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PublicLibrary
ASSOCIATION

PLA Board of Directors Meeting
June 25, 2022
ALA Annual Conference, Washington D.C.
Marriott Marquis, Georgetown University Suite
Board Lunch
12:00 Noon – 1:00pm Eastern

Board Meeting
1:00pm – 5:00pm Eastern

Present in Person:	Melanie Huggins, President; Michelle Jeske, Past President; Dr. Maria Taesil Hudson McCauley, President-elect; Directors-at-large: Amita Lonial, Dara Schmidt, Brandy McNeil, Candice Wing-yee Mack; Clara Bohrer, Fiscal Officer
Present Virtually:	Directors-at-large: Erica Freudenberger, Toby Greenwalt
Absent:	Stephanie Chase, ALA Division Councilor (excused)
Guests:	Sonia Alcántara-Antoine; Michael Colford; Christina Fuller-Gregory; Larry Neal, ALA Executive Board (present virtually)
PLA Staff:	Larra Clark, Deputy Director, Policy; Mary Davis Fournier, Executive Director; Mary Hirsh, Deputy Director; Melissa Faubel Johnson, Meeting and Special Events Planner; Angela Maycock, Manager, Continuing Education; Kathleen Hughes, Manager, Publications (present virtually)

Agenda

1. **Welcome and Introductions**, *Melanie Huggins, PLA President*
President Huggins welcomed the board, staff and guests to the first in-person meeting since 2020.

2. **EDISJ work,** *Maria McCauley, PLA President-elect*
Board members and staff reported on recent work around EDISJ, either as it relates to PLA goals or at their home institutions.

3. **Action Item:** Adoption of the agenda

Agenda was adopted as presented.

Consent Agenda   **Document Number**

4. *Organizational Excellence and Governance*
    a. May 2022 Board Meeting Minutes 2022.33
    b. PLA President's Report to ALA Council and EB 2022.34
    c. TAG resolutions and PLA Councilors' recommendations 2022.35a-c

5. PLA Initiatives Combined Report 2022.36

6. PLA Operations Combined Report 2022.37

Action/Discussion/Decision Items   **Document Number**

7. Reflections, *Huggins, all* .... no document

Huggins pointed people to the reports in the consent agenda, particularly the documents related to Councilor's meetings.

Huggins had lunch with division presidents and President Wong the previous day. They discussed challenges of bringing ALA in locally for political reasons. Need to show up for our members quietly and behind the scenes in some cases. This presents a challenge in terms of membership recruitment and retention. Equity is at the forefront of library missions. ALA is an important champion at national level but may need to do it quietly. This is a long-standing conversation in ALA. Certain groups or library types don't feel represented, but it is coming to the forefront now given the current political situation.

8. PLA President Update, *Huggins* .... no document

Huggins pointed to the President's Report for a full debrief. She represented PLA at a recent Urban Libraries' Council library directors meeting in Cleveland.

9. PLA President-elect Update, *McCauley* .... no document

McCauley was excited to work on finalizing the strategic plan refresh and was impressed with PLA staff. She recently participated in a conversation for a library conference out of Iran, with incoming ALA President Lessa Kananiʻopua Pelayo-Lozada. McCauley attended TAG division meeting to learn about potential governance models and impacts on divisions. Resulted in recommendation for 2 division executive board reps: 1 specifically for schools, 2 from other divisions. McCauley has done a few interviews and attend PLA B&F meeting. She was honored to give the keynote at Spectrum Lunch, as a Spectrum alum.

10. PLA Executive Director Update, *Mary Davis Fournier* .... no document

Introductions of Katina Jones and Sara Goek, PLA data team staff.

Davis Fournier is marking one year as PLA ED. She directed the board's focus to the operational report: PLA is making progress in service to members and recruitment of non-librarian members. Saw a membership bump with PLA Conference; PLA is working on pilot with MRS with two-year membership and drip campaign. PLA added capacity for membership and marketing with new hire.

Staff continue to work and partner with other units across ALA to advance intellectual freedom tools and trainings. CE and web staff participated in launching unified CE across ALA. PLA launched Benchmarks product to provide essential research and generate revenue.

Additional staff added in data, communications, and programming. Hired several program coordinators to support unit. There is currently no plan to hire the vacant deputy director position.

Davis Fournier recognized PLA conference staff for a great PLA 2022 conference.

Davis Fournier and staff will now focus on operationalizing strategic plan and also on a fundraising plan and sustainability.

11. Executive Board Liaison Update, *Larry Neal* .... no document

Neal provided talking points and agendas from the executive board. Mentioned the national increase in censorship and challenges. In response, ALA has launched United Against Book Bans.

Neal reported an attendance of 13,289 at conference on Friday.

Neal thanked Bohrer for her good advocacy on PLA's behalf during budget meetings. Financial reports are still very behind. ALA has hired permanent CFO. The Exec Board is very focused on a balanced budget, and eventually build up short term cash reserve.

Membership seems to have stabilized. ALA will need to continue to show value, given economic forecasts.

Neal will be moving to ALA Council Meeting later in the day. Council will be voting on TAG recommendations.

Kathi Kromer left PPA. EB has some concern with higher level staff turnover. Need a culture to retain and attract key talent. Search underway for a CTO.

EB approved Cultural Proficiencies Framework yesterday.

Neal reports back to the EB on Tuesday and asked for any comments to relay on behalf of PLA.

12. Fiscal Officer Report, *Clara Bohrer, Davis Fournier, all*
    a. FY22 as of January 2022 Budget Reports..2022.38a-d
    b. FY22 as of January 2022 Narrative 2022.39
    c. Budget and Finance Committee Meeting with ALA Treasurer 2022.40
    d. Priorities for Fiscal Officer/Budget & Finance Committee in FY23................. no document

Bohrer directed the board to 38.a, the balance sheet. PLA has funds in:

- Operating fund (included conference and membership dollars);
- Grant funds to support special initiatives
    - AT&T digital literacy

- o Gates Legacy: Data, Project Outcome/Benchmarks, Leadership training, advocacy. Envisioned global partnership with IFLA and TASCHA, which has not been realized. PLA always include Gates Balance in financial reports
- o Long term investment

These numbers are from January. Bohrer would like to see more real time financials, as these do not reflect conference fully. PLA is on a two-year budget cycle to reflect conference cycle. Conference revenue covers our off years. At five months into the FY, PLA has a positive variance. We can expect March financials, which will include Conference actuals, by July. These will be presented at next regular board meeting.

The PLA B&F Committee is meeting with ALA and the Endowment Trustees. In years with significant fund balance, PLA has requested to transfer some monies into the endowment. Endowment trustees' policy 6.5.1: looks at 20-month period of gains to decide payout to everyone that has money in endowment. Payout is generally 3-5% generally; at 5% for FY23. According to endowment trustee policy and Operating Agreement, PLA board holds decision on how to spend that interest. In years past, it has been rolled back in to grow endowment or moved to operating budget to be spent on new projects or initiatives (leadership academy, EDSJI Cultural Proficiency framework, 2nd version of ECRR).

This year, PLA was directed by ALA financial office to direct 5% ($73,000) into operating agreement. This is not the policy or the practice, which allows for PLA board control. Using money to fill $4.4 million deficit of overall ALA budget, reversing years of deficit budgets.

PLA and ACRL sent a letter expressing displeasure with demand for 5%. Received letter back that we were to use the 5% or find equivalent in the PLA budget. Letter also intimated that informal two-year budget cycle was being examined. Brought PLA B&F, ALA Treasurer and ALA CFO together to discuss. The planning sequence was out of alignment with ALA process. No member leader had seen our budget. PLA will continue to run the current budget process, what numbers ALA sent may not accurately reflect final PLA budget. Communication between ALA finance and divisions need to be improved and happen earlier. There is a policy inconsistency. Bylaws say one ALA budget and endowment, but other policy documents give PLA Board decision making power. PLA does not actually have control over the endowment. This decision impacts PLA and ACRL the most directly, as we have the funds to use the money for programs. Other divisions need endowment interest to meet their operating budgets.

At the point where PLA is developing FY23 budget. PLA will submit budget in late August or early September. If there is a compelling project, such as supporting the Family Engagement initiative, perhaps we will be able to spend on something that impacts our members.
It was asked if PLA could choose not to put future funds into the endowment. Yes, but Bohrer cautioned PLA could not choose to set up our own independent endowment. Our endowment funds reside within ALA.

Priorities for B&F committee for coming year: changing budget process to better align timelines with overall ALA timelines. OAWG has issued new report, online. Need to review it against letter than PLA sent with input. An ALA Task Force will be formed to work on new budget process. Will continue to monitor and report on ALA financial meetings. Internally, two priorities: fundraising plan for Friends of PLA, sponsorships, and grants. Will come to this board to approve budget on recommendation and review of B&F. Second, developing transition plan for when Gates Legacy funds wind down (6-7 years from now) Currently, funds about $1 million a year of PLA operations, programs and salaries. Financial and programmatic analysis to understand impacts of Gates money, sustainability. B&F will look at it from a financial perspective, board will look at it from a programmatic priority. The analysis will occur over FY23, with the discussion in FY24.

Jeske announced that Bohrer has been reappointed to Fiscal Officer position, to wide approval from the board. Huggins suggested a transition plan be developed for Bohrer's eventual retirement.

13. Strategic Plan Refresh, 2023-2026 *Fournier, Mary Hirsh, all* **ACTION** 2022.41a-b

Hirsh explained the plan development process. The refreshed plan is built on a robust process. Staff reviewed 2020-21 outputs and recommendations, including presidential recommendations to new ED. A staff retreat in November 2021explored EDISJ applications to each goal. The new plan introduces design and content changes to make it simpler and clearer. There is a consistent framework across goals and more deliberate connections between goals. Removed measurement language from goals and moved to activities (with staff work plan).

Three priority decisions informed the plan: Embed EDISJ in all goals; focus on all library workers as a path to grow membership; expand partnership potential.
Davis Fournier walked the board through the refreshed plan content.

- EDISJ–move away from training focus to more organizational and system change. This represents a holistic approach at every level and with collaborators. EDISJ as part of our practice in everyday work–not separate.
- Transformation–in 2018 this meant turning outward. But what is next? Libraries also need to change internally to meet our mission–to be more equitable workplaces. "With and for" language is new in refresh.
- Org excellence–really about PLA, how we work, and integrity of our brand. Respond to need for trust in our conversations.
- Professional growth–was "leadership" goal. Better capture all library workers. Kept leadership in the objectives, but all staff may lead from whatever position in which they serve and lead from the values of the field.
- Advocacy & awareness–Responding to member feedback about PLA taking a stand and moving field forward. Support local, but also roll up to amplify national impact of those stories.

For next steps, staff will develop work plans with tactics. PLA will develop a communications plan and release to members in the fall. Subsequently the board can expect quarterly reporting.

Schmidt affirmed the plan accurately reflects the feedback that members shared. McNeil said the goals of the plan reflect why she wanted to join PLA. Alcantara Antione appreciates the non-linear approach and centering EDISJ. DEI world shifting from Inclusion to Belonging. It is important is to capture intentionality, even if imperfect.

Lonial suggested changing EDISJ to Equity and Social Justice. Diversity and inclusion are the most neutral, and don't center "race."

Freudenberg thanked the staff for excellent work on plan. She cautioned not to conflate rural and whiteness and to be thoughtful about how EDISJ scales in rural communities.

Huggins directed staff to consider the question of using the full EDISJ, with a focus on ease of understanding and alignment with ALA.

Proposed plan approved.

14. Cultural Proficiencies for Racial Equity Framework, *Amita Lonial, Christina Fuller-Gregory* 2022.42a-b

Lonial provided background on this project. Christina Fuller-Gregory was EDISJ committee was co-chair. She led the work on the framework for PLA and ACRL. ALA EB approved it.

Fuller-Gregory was project facilitator for the framework and task force. In 2019, PLA and ALA ODLOS, ACRL and ARL announced formation of CPREF TF. Framework creation occurred during pandemic and racial reckoning. Includes four frames: addressing and interrogating white supremacy; accountability; cross-sector proficiency; anti-racist leadership.

ALA hosted two info sessions and robust comment review process. Now seeking approval and adoption. This is the beginning, not the solution.

Huggins asked about the PLA EDISJ committee role going forward. Lonial indicated the committee helped with development, but future is still being designed. She asked where the plan will live. Fuller-Gregory indicated the document will live in a central place within ALA (not in a division) and be regularly reviewed. Future should include all of original stakeholders. She was unsure of how the future update process will work and who will be involved don't know the answer yet. Framework outlines steps, and adopting it says that PLA will follow the steps and do the work.

The member-facing piece will be helpful in accountability. A major goal was to have one plan for ALA instead of several different plans by unit. For example, ACRL replacing their current standards and using the framework instead.

McNeil asked about what kind of support will be provided to librarians implementing the framework, as it could be traumatizing. Hopefully it will inspire organizations to implement at their various levels and PLA/others help with trauma.

Jeske encouraged actual promotion and use that is not merely performative.

The framework was approved.

15. IFLA Public Libraries Section Update, *Ramiro Salazar* 2022.43

Salazar absent; Davis Fournier directed the board to the written report.

16. Sunsetting/Transition of the Social Worker Task Force, *Larra Clark* **ACTION** 2022.44

Proposed Sunsetting/Transition of the Social Worker Task Force approved.

17. Welcome new PLA Board Members, *all* .... no document

New board members welcomed by the board as a whole.

18. Service Recognition of Board Members .... no document
    a. Outgoing board member thanks: Michelle Jeske, Toby Greenwalt, and Amita Lonial
    b. Leadership transition: President Melanie Huggins passes baton to incoming PLA President Maria Taesil Hudson McCauley (effective July 1, 2022)

President Huggins recognized the contributions of Toby Greenwalt and Amita Lonial who are rolling off the board, as well as outgoing past president, Michelle Jeske. Each of the outgoing board members will receive a commemorative print of a Public Libraries magazine cover and a donation will be made in their honor to their library friends group or foundation.

19. New Business, *all* .... no document

None.

Proposed PLA FY23 Budget
Revenues and Expenses
August 25, 2022

OPERATING (GENERAL FUND) ACCOUNTS	FY23 REVENUE	FY23 EXPENSES	NET/LOSS
0000 Admin	$0	$723,588	($723,588)
3000 Service to Members	$481,243	$65,650	$415,593
3011 PLA Leadership	$0	$0	$0
3026 AC Preconferences	$0	$0	$0
3030 Public Libraries	$45,100	$107,898	($62,798)
3040 Web CE	$60,000	$21,500	$38,500
3058 Publications	$20,300	$14,700	$5,600
3072 Family Engagement	$0	$50,000	($50,000)
3073 Equity Diversity Inclusion	$12,000	$3,180	$8,820
3120 ECRR	$21,800	$19,359	$2,441
3171 PO Regional Training	$21,625	$11,625	$10,000
3172 PLDS-Benchmark	$103,980	$44,448	$59,532
3188 DigitalLearn	$20,000	$5,300	$14,700
3062 PLA Exhibits	$0	$0	$0
3063 PLA Promotion	$0	$0	$0
3064 PLA Registration	$0	$0	$0
3065 PLA Opening Closing Sess	$0	$0	$0
3066 PLA Programs	$0	$0	$0
3069 PLA Meal Events	$0	$0	$0
3070 PLA Preconferences	$0	$0	$0
3145 PLA Conf Planning	$0	$135,993	($135,993)
3173 PLA Virtual Conf	$0	$0	$0
TOTAL - Operating	$786,048	$1,203,241	($417,193)

GRANT ACCOUNTS	FY23 REVENUE	FY23 EXPENSES	NET/LOSS
3175 Legacy Grant (Gates)	$1,116,071	$1,116,071	$0
3162 Digitallearn (AT&T)	$461,589	$461,589	$0
TOTAL - Grants	**$1,577,660**	**$1,577,660**	**$0**

TOTAL - Operating and Grants	$2,363,708	$2,780,901	(417,193)

PLA FY23 Budget Notes

Summary:

As a non-conference year PLA will turn its focus to aligning goals while maximizing non-conference revenue. Key elements and assumptions for this FY23 budget are:

- Strategic Planning: implementation of our Strategic Plan and deliberate alignment with our EDISJ-centered organizational goal; expense is covered in this budget.
- Membership – Retention and Recruitment; With an additional marketing & membership staff member, PLA's investment is towards retention of new members we received during the conference year, and building additional membership; Related, we will also begin the planning process for the 2024 PLA National Conference.
- Operations: With vacancies, staff realignment and four new staff members, team building and retention are critical, and those expenses are covered in this budget.
- Non-conference revenue generation: The FY23 budget has a spending money to make money approach. We are investing in the Benchmark data platform as it expands its subscription base; we are looking at the Public Library sector to see where, after 17 years, Project Outcome is most needed; we have new advertising representation and prospects, and new Web CE product development as well as tried-and-true revenue generators such as Every Child Ready to Read are slated for updates.
- Fundraising: Development of a comprehensive fundraising plan (individual giving, grants, long term investments, sponsorships) which will enhance our contributed revenue.
- Grants: Grants advance PLA's programmatic goals. One example is the funding from AT&T, currently fueling our digital Literacy strategy. The time has come for intensive analysis and impact planning for our remaining Gates Legacy Grant funds, as well as pursuit of funds that will advance PLA's strategic plan and priorities. Any related expense is covered in this budget.

FY23 Budget Notes

OPERATING FUND PROJECTS (includes conference)

0000 - Admin – Bulk of this budget is salary and benefits for about half of PLA staff (the "general fund," or non-grant funded staff). It is notable that with PLA restaffing, we have maintained the approximately 50/50 distribution between the PLA general fund to grant funds (47% in operating; 45% to Gates; 8% to other grant funds). The rest of the operating expenses are budgeted similarly to FY22: Benefits have been budgeted for a 7% increase over FY23, per ALA HR. Maintained FY22's $10,000 in Professional Services for consulting (typically board-initiated projects. Modest travel/meals/lodging for miscellaneous staff travel, events (most staff travel is charged to projects or grants; board meetings are charged to Service to Members). Web operating costs have been doubled to account for new hire software licenses. Supplies and equipment support hybrid work environment needs; telephone and postage per trend, and no depreciation has been assessed by ALA for FY23.

3000 - Service to Members – Revenue has been budgeted at 3% increase, per ALA MRS projections. This also factors in a scheduled 3.6% dues increase. Despite FY23 as a non-conference year, this 3% increase reflects anticipation of additional staff capacity to focus on recruitment/retention, and to coincide with the MMS iMIS system upgrade (fall 2022). $20K in various marketing expenses consolidated to the

PLA FY23 Budget Notes

promotions (5055) expense line in anticipation of targeted member recruitment and retention campaign during FY23. Funds for board meetings and other miscellaneous member travel budgeted ($10,000 travel, $20,000 hotels, and meals). Of note: 2023 ALA Annual Conference member breakfast has been eliminated from the budget due to projected 60% increase in catering/event costs (Chicago/inflation), and to fulfill ALA discretionary expense reduction of $33K to PLA FY23 budget. Miscellaneous other costs for holiday card mailing, other membership outreach, etc.…

3030 - Public Libraries – PL will maintain the FY22 practice of two electronic issues to reduce print/mailing expenses by $16K. PLA has engaged a new advertising rep who also reps ACRL's member magazine. Ad revenue has been budgeted at $20K, with a renewed focus on generating advertising revenue. Additional promotion has been budgeted.

3040 - Web CE – Revenue has been budgeted based on past sales. Expenses for PLA's paid webinars have lessened significantly since ALA launched its association-wide Web CE platform. Remaining expenses are minor and content generation related, including consulting, fees to ALA for registration process plus overhead on registrations. In FY22 PLA plans to maximize its Web CE capacity with two fully captioned paid webinars per month, budgeting $60K in revenues.

3058 - Publications – $20K in revenues budgeted based on past years' average sales of PLA books and the Early Literacy Calendar (ELC). Expenses of $14K budgeted for development of one book and the ELC (design, editorial services, etc.…), netting $5,600.

3072 - Family Engagement – No in-person workshops scheduled for FY23, moving CE resources from live to blended learning for the popular Family Engagement workshops has been budgeted ($50K) in professional services with Board-approved allocation from PLA's Long Term Investment fund interest. This investment in Web-CE product development for eventual placement in the ALA Web-CE revenue platform will benefit both ALA and PLA.

3073 - Equity Diversity Inclusion - 3073 - 3073 - Equity Diversity Inclusion – The Equity Starts with Us partnership with Mia Henry launched in spring 2022. Modest profit-share revenues of $12K have been budgeted.

3120 - Every Child Ready to Read (ECRR) – Revenues budgeted based on past years' average sales. $9K in expenses include redesigning the product in FY23 to include digital access, with a modest net of $2,400.

3171 - Project Outcome – Revenues based on past years' average special project contracts. Overall expenses are minimal, however significant site updates have been planned for FY23, budgeted as Gates Legacy fund expenses ($50,291).

3172 – PLDS (Benchmark) – The Benchmark Data Platform launched successfully, in collaboration with ACRL in FY22. It is following a startup budget plan, gradually phasing expenses from the incubation budget (Gates fund) into operations as subscription revenues grow. Further platform enhancements are budgeted for FY23, with PLA expenses split between 3172 ($44K,000) and Gates funds ($64K). Overall site development costs are split between PLA and ACRL.

PLA FY23 Budget Notes

3188 - DigitalLearn – All expenses are in the AT&T grant budget, however we anticipate at least two subsites with licensing fees in FY23, budgeted at $20,000 in revenue.

3061 - PLA General

3062 - PLA Exhibits

3063 - PLA Promotion

3064 - PLA Registration

3065 - PLA Op/Closing General Sessions

3066 - PLA Programs

3069 - PLA Meal Events

3070 - PLA Preconferences

3145 - PLA Conf Planning – This is the one conference budget in use during non-conference year. Expenses include meeting promotion (including $10K for web development), planning, travel, and professional services for our meeting planner ($135,993). These costs have varied widely, depending on vendors used, local timing of when bills are paid.

3173 - PLA 2022 Virtual Conf

GRANTS

3175 - Legacy Grant (Gates) - $1,116,071 submitted as revenue. Bulk of budget is staff, data projects and Leadership Academy. $621,477 for salaries and $195,924 for benefits. Overhead to ALA of 12% on eligible expenditures totals $119,579. Left many minor categories nearly identical to FY22 but consolidated various marketing and promotions efforts into a single promotions line ($18,000); included $20,000 for continued strategic planning and Gates Legacy planning consultants. The majority of the program support going to the following:

- Data projects:
  - Project Outcome has requested $57,000 for improvements (maintenance, for a conservative total of $57,291 (note these are half the total costs; ACRL pays the other half). With some special project revenue coming in for Project Outcome, $7,198 will be expensed to 3171 Project Outcome, and $50,291 will bill to the Gates funds.

  - The Benchmark Data Platform has requested $64,000 in improvements (maintenance, platform build out, survey work) $5,000 in promotion. This project is also a 50-50 cost-share with ACRL. Benchmark is forecast to generate significant revenue in the 3172 Benchmark, so platform enhancement expenses have been budgeted $15,000 to the 3172 budget and $49,000 to Gates funds.

PLA FY23 Budget Notes

- Leadership: FY23 will be a year to update the Leadership Academy for the post-pandemic world, with a targeted launch in Fall 2023 (FY24). Costs include redesign consulting ($10,000), Travel and Lodging/Meals ($2,000) and $10,000 for speaker/facilitator, plus space rental and A/V.

3162--Digital Learn (AT&T)– $461,589 submitted as revenue. Currently budgeted with $103,223 for salaries and $32,542 for benefits. Digital Learn resource and website development budgeted at over $200K with $60,178 going to ALA as overhead.

TO: PLA Board of Directors
RE: FY23 Budget Status
DATE: August 25, 2022

ACTION REQUESTED/INFORMATION/REPORT:
          ACTION
ACTION REQUESTED BY: N/A
DRAFT OF MOTION:
That the PLA Board accept the recommendation of PLA Budget & Finance Committee to approve the FY23 budget as presented.

FY23 Budget Overview
In accordance with ALA's budgeting deadlines, PLA has completed the FY2023 (September 1, 2022-August 31, 2023) PLA budget (includes conference) for board review. A summary by project is attached to this report.

Projects	Revenue	Expenses	Overhead	Net
Total Operating	$786,048	1,203,241	$33,280	($417,193)
Grants	$1,577,660	$1,577,660	$179,757	$0
TOTALS	**$2,363,708**	**$2,780,901**	**$213,037**	**($417,193)**

We are projecting a net loss in our general fund projects of about $418,000. This net loss is typical for a non-conference year for PLA's general fund. It can be attributed to trend-informed, conservative estimates for both subscriptions, WEB CE registration and ad sales, as well as sustaining projects that generally operate at a net loss, such as Public Libraries (for which ad sales and subscriptions reduce but do not eliminate the net loss).

FY23 is a not a national conference year for PLA, and the conference is our primary revenue generator. Our focus during this non-conference year will be building the non-conference revenue components reflected in ALA's Pivot Plan. These include membership, data/research, publications, continuing education and contributed revenue.

Grants continue to be essential for PLA. We anticipate more than $1.5 million in grant funds in 2023. Of this, $1.1 Million will be spent from the Gates Foundation Legacy grant received in 2017, which underwrites almost 50% of PLA's 15.5 FTE staff positions, ALA's growing data collection/management platform and leadership development programming. The remaining $460,000 in budgeted grants is ongoing work from AT&T related to digital literacy. Additional proposals are pending, but not included in the FY23 grants budget.

This budget reflects a number of developments:

- In early 2022 ALA requested $33,431 in discretionary cuts, reducing the PLA non-conference year net deficit to $522,527.
  - This reduction was achieved through elimination of a membership breakfast planned for the 2023 ALA Annual Conference. An event for members at the ALA Annual Conference will be evaluated in FY23, and the forecasted 60% increase in catering and event costs (inflation/Chicago location) meant the event budget was no longer viable.

- In June 2022, ALA requested the 5% allocation of $73,779 from PLA's Endowment Fund and posted it as credit to PLA's operating budget. This amount reduced the PLA's non-conference year net from $522,527 to $416,704. PLA was instructed that if the allocation of the Endowment funds were not approved by the PLA Board, then PLA would need to find $73K in operating budget reductions or increase revenues to offset the amount.

  In order to fulfill ALA's request to achieve a net deficit of approximately 417K, the budget has been scrutinized the following adjustments made:

  - $50,000 in Endowment payout approved by the board as part of the operating budget to support a priority program, the Family Engagement initiative (3072), investing in Web-CE product development for eventual placement in the ALA Web-CE revenue platform. This will benefit both ALA and PLA.
  - $23,770 in Endowment payout is part of the operating budget with the purpose of dropping to the PLA and ALA bottom lines as part of ALA's budget alignment strategy.
  - $37,000 in Benchmark Project (3172) site development expenses have been moved to the Gates Legacy Grant (3175).
  - $12,500 increase in Ad Sales and subscription revenue to Public Libraries Magazine has been budgeted, with the engagement of new advertising representation, and member recruitment and retention campaign.

Though a combination of thoroughly reviewing the budget and making sure all revenue projection is realistic, we have achieved the requested $417K net deficit bottom line.