**TO:** PLA Board of Directors

**RE:** FY20 Budget Status

**DATE:** June 14, 2021

**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 FY22 budget as presented with the understanding that PLA has the option to revise the budget until September 2021, when ALA locks budgets ahead of the ALA board’s October meeting to approve the entire ALA budget for FY22.

FY22 Budget Overview

In accordance with ALA’s budgeting deadlines, PLA has completed a second draft of its FY2022 (September 1, 2021-August 31, 2022) PLA budget. A summary by project is attached to this report.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Projects** | **Revenue**  | **Expenses** | **Overhead** | **Net** |
| General Fund | $666,000 | $1,047,037 | $788,269 | ($408,037) |
| Conference | $3,250,000  | $1,850,476 | $874,730 | $1,188,676  |
| Grants | $1,498,396  | $1,498,396  | $159,044 | $0 |
| **TOTALS** | **$5,414,396** | **$4395,909** | **$1,822043** | **$780,639** |

Revisions since the PLA board met in the spring include an increase in anticipate conference revenue and re-instatement of project budgets that has been zeroed out in the new low-mid-high budgeting process instituted by ALA finance.

We are projecting a net loss in our general fund projects of about $408,000. This is average for PLA’s general fund. It can be attributed to conservative estimates for both partners/individual giving and ad sales, and 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) and Digitallearn.org (which is expected to sell at least two custom sites, to help underwrite a portion of its maintenance costs).

FY22 is a PLA conference year, and the conference is our primary revenue generator. While we look forward to being together in person, we recognize that the 22 conference will likely be a smaller in-person event, and therefore has been budgeted $750,000 less than the most recent conference. We also assume a smaller exhibit footprint as vendor budget contract. To counter this slightly, PLA will raise registration rates by $25.00.

Grants continue to be a bright spot for PLA. We anticipate nearly $1.5 million in grant funds in 2022. Of this, a little under $950,000 will be spent from the Gates Foundation general operating grant received in 2017, which underwrites some portion of 11 FTE staff positions, PLA’s growing data collection and management portfolio, and leadership development programming. The remaining $500,000 in grants is split primarily between ongoing work supporting access to health insurance sign-up, corporate funding from Microsoft to address digital divides and skills gaps, and new money from AT&T related to digital citizenship.

ALA will open up the FY22 budget for final revision in late summer. If revisions are required after June, they will be made and the board will vote virtually on a final budget before mid-September.