

ALA American Library Association

Results of Operations  
ALA FY 2016 12 Month Financials

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Annual Financial Report 2016  
 Statement of Revenues and Expenses  
 August 2016

Revenue Category	Year-to-Date Actual August 2016	Year-to-Date Budget August 2016	Year-to-Date Variance August 2016	Prior Year Actual August 2015	Change FY16, FY15
General Fund	15,114,750	15,558,100	(443,350)	14,111,000	1,003,750
Revenues	4,148,000	4,148,000	0	4,148,000	0
Grants and Awards	1,100,000	1,100,000	0	1,100,000	0
Long-term Investment	1,000,000	1,000,000	0	1,000,000	0
Total	16,819,622	16,206,892	612,730	15,899,600	920,022

Total ALA Revenue (Combine Funds)

While the General Fund missed revenue targets by \$2.2M (4.3% of the total \$51.2M FY16 budget), FY16 actual revenues for all other funds beat budgeted FY16 revenues, partially offsetting the unfavorable revenue variance in the General Fund. Within the General Fund, lower revenue than budgeted in Publishing and Conferences were the primary contributors to the unfavorable variance.

Annual Financial Statement of Revenues and Expenses  
 August 2016

Category	Year, % Actual August 2016	Year, % Budget August 2016	Year, % Variance August 2016	Prior Year Actual August 2015	Change FY16, FY15
General Fund	77.577	100.0	14.414	85.511	0.0
Divisions	15.7	100.0	14.3	14.175	45.11
Round Tables	11.1	100.0	11.1	1.741	0.11
Grants and Awards	1.5	100.0	0.5	7.415	0.11
Long-term Investment	1.4	100.0	0.4	0.512	1.1
Total	106.21	100.0	6.21	106.285	116.622

Total ALA Oombine Fund

Actual FY16 expenses for all funds were lower than originally budgeted, due in part to conservative budgeting at the Division and Round Table fund level and due to adjustments in General Fund expenses as results from General Fund revenues producing operations were realized throughout the year. As a result of careful cost management, total ALA expenses were below budget.



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 August 516 2016

!O! AL ALA	August 516 2016	August 516 201+	Ohange	Ohange <
!otal Assets	375& 14&7 4	377&)4 & )7	031& 14&" 12	-*+44
!otal Liabilities	345&141&5))	34)&"11&717	03)! "&1512	-1+54
3et Assets	31"&471&*1	311&)15&15"	031&141&! 1*2	-1+)4

!otal Assets

For the twelve month FY16 period ending 8/31/16, total ALA assets were \$75.8M. This represents a decrease in total assets of \$1.8M (-2.4%) from the same time last year.

!otal Liabilities

1 nclu\$es current an\$ non,current obligations?

For the twelve month FY16 period ending 8/31/16, total ALA liabilities were \$45.3M. This represents a decrease in total assets of \$690k (-1.5%) from the same time last year.

3et Asset "alance

As of August 31, 2016, ALA ended the fiscal year with a net asset balance of \$30.5M, which was a decrease of \$1.1M or 3.6% from the same time last year.

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 August 516 2016

A'' (!'	August 516 2016	August 516 201+	Ohange	Ohange <
Cash	55!&")5	1&111&5 1	055* &51 2	-4! +74
Short-term Investment	14&154&5"1	14&4! 5&51!	0141&"1)2	-*+44
Accounts Receivable	1&714&5! 4	4&"'"'"&! 17	0*) &1412	-)+74
Grants Receivable	571&55*	1&*17&*54	0)45&7" *2	-51+! 4
APA Receivable	1"5&"'"'"	155&"'"'"	05" &"'"'"2	-1*+14
Inventory	1&7 * & 17	1&5 4&741	1! &"7)	1*+54
Prepaid Expense	471&117	1&"! " &4	0)17&1712	-5)+) 4
Goodwill	1& * ) &5)7	1& * ) &5)7	"	"+" 4
Intangible Assets	1&4"5&)17	1&775&"1*	01)! &4152	-*" + 4
Fixed Assets	11&1 7& 4*	11&714&*55	05*) &4112	-4+54
Long-term Investment	4" &"15&* 5	1 &)7 & 45	1&11) &44"	1+54
Due to/from	01&1712	01&1712	"	"+" 4
Total Assets	: +681. 6: 86	: : 66. 86868	11685. 60822	,2/. <

Assets by Account

Of the \$5.2M decrease in total assets, \$617k was due to lower prepaid expenses related to the PLA and AASL conferences that were recognized in 2016 and \$369k in amortization of the Neal Schuman intangible asset. The \$646k decrease in grants receivable was due to the recognition of revenue from grants throughout the year. Decreases in cash and accounts receivable were due to lower revenues in FY16 as well as lower accounts receivable prior to the one-conference year of FY 2017. These decreases were partly offset by a \$1.3M increase in the value of ALA's Endowment compared to prior

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 August 516 2016

LA" L ! ('	August 516 2016	August 516 201+	Ohange	Ohange <
Ourrent Portion6 Long, term %ebt	1& 15&5! 7	*&* 15&("))	0*!!&4)! 2	-11+54
Accounts Payable	4&151&1) 5	5&* " &1!!	0 5)& 142	-1)+54
Accrue\$ Payroll	* 11&1 *	114&15*	! & 1"	) +44
%eferre\$ Membership	1& ! " &151	4&" *4&1")	0111&7552	-1+14
%eferre\$ ' ubscriptions	*&* 11&1) 11	*&141&* 5*	01 *! &) * 12	-5+54
%eferre\$ 0onferences	*&) " 1&* 1)	*&51) &557	)&) 7!	1+44
#rants an\$ A 7 ar\$s	4&715&"" 5	1& &! ) 4	*) &' 41	* 1+* 4
Long, ! erm %ebt	1&* "" &"" ""	4&5 *! &) " 4	01&1 *! &) " 42	- *! +44
Post Retirement "enefits	**&* 41&* ""	* 1&1! 5&) 17	1&' 47&5 1	4+! 4
!otal Liabilities	. +65. 56+6:	. 660556: 1:	169061+02	, 1/+<
3(! A' ' (!'	506. : 16219	51661+61+1	1161. 569522	, 5/6<
!O!ALL A" L ! (' A3% 3(! A' ' (!'	: +681. 6: 86	: : 66. 86868	11685. 60822	, 2/. <

Liabilities by Account





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 ' tatement of Re&venues an\$ ()penses by %epartment  
 August 516 2016

	Year,!o,%ate Actual August 516 2016	Year,!o,%ate "u\$get August 516 2016	Year,!o,%ate *ariance August 516 2016	*ariance <	Prior Year Actual August 516 201+	Ochange FY16,FY1+
Publishing 'er&ices	1" & )4& !5	11&4)7&*"4	)""*&1""!	5+14	11&5*5&451	)""&55)
Member Programs > 'er&ices	1* & 4* & !4	11&47 & !*1	)1)& *!	4+74	1* & )1* & *15	0* *! & 5!2
A\$&ocacy > Member Relations	1& *5 & !1**	1& *""&7!7	1) * & )!5	5+14	* & 7 & !1	0* *7""& *""12
()ecuti&e Office	4& )! * & !4	4& 71""&4))	17&47*	""+44	4& )1& ! *	0 1& *1*2
Finance=Accounting=' taff ' upport	1& 7! 1& 14*	1 & 7* & 1)*	1& *""	4+14	1& 7! 1& 1*""	0* * *2
O&erhea\$ Reco&ere\$	0) & 1 5& *7!2	0) & 7""1& 4!2	011) & 7)42	4+74	0) & *15& 14!2	1) ! & 1""
#eneral A\$ministration	1& 1"" & **	1& 1!1! & *""!	1""& 7 1	1+*4	1& 141& 51	11& ) *1
!total ()penses	2: & 9: 2& +: 6	29& 166& 918	1619. & 5. 2	. /1 <	28& 2+ & 4585	282& 80:
Operating 3et Re&venue	166: & 2502	568& 8+6	11& 056& 0862		: 69& 0. 0	11& 6. 56& 2: 02

#eneral Fun\$ by 4nit

Publishing

#e 565 Publis\$in' unit's total F91) expenses %ere 31""+. & lo%er t\$an ori' inal bud' et of 311+5. by 3)""\*, 05+14+2 Expenses %ere lo%er due to a combination of lo%er product sales & land cost of materials and sales from lo%er volumes & primarily in 565 Editions; <S and reduced expenses from open positions and ot\$er discretionary items+

MP'

. PS7 actual expenses %ere also lo%er t\$an F91) bud' et & primarily due to lo%er 5nnual -onference expense t\$an bud' eted 035+\*. vs+ 35+7. & a 35""", variance & and reduced expenses in various /eneral Fund offices suc\$ as personnel and discretionary items+ # projects & %\$ic\$ also are part of . PS& expenditures %ere in line %it\$ t\$e ori' inal bud' et & as , ey # projects %ere prioritized as a critical element to enablin' 565's Strate'ic Directions+

A\$&ocacy > Member Relations

5>. R li, e%ise ' enerated lo%er expenditures t\$an bud' eted & primarily due to tar' eted expense reductions as revenues %ere reali?ed over t\$e fiscal year+

()ecuti&e Office/ Finance > ' taff ' upport

#e Executive (ffice & %\$ic\$ includes bot\$ t\$e Executive Director's office as %ell as t\$e D- office & li, e%ise ' enerated lo%er expenditures t\$an bud' eted & primarily due to tar' eted expense reductions as revenues %ere reali?ed over t\$e fiscal year+ #e Finance office also reduced expenses & primarily in staff development and open positions in li' \$t of revenues+

O&erhea\$ Reco&ere\$

(ver\$ead recovered represents t\$e fundin' available to t\$e /eneral Fund to pay for /eneral Fund activities+ #e actual amount recovered is based on a predetermined over\$ead rate %\$ic\$ is applied to t\$e ' ross revenues of specific activities+ Due to lo%er ' ross revenues in Publis\$in' and . PS& t\$e amount of over\$ead recovered %as also lo%er t\$an bud' eted for F91)+

Operating 3et Re&venue

For F91) & t\$e /eneral Fund ' enerated a net expense of 3) )7, vs+ a bud' eted net revenue of 31) ! , & %\$ic\$ %as a 31. variance from bud' et+

Disclosures  
Statement of Revenues and Expenses  
August 5 to 2016

Actual % '03'	Year-to-date Actual	Year-to-date	Year-to-date	Prior Year
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