

Core FY24 Financial Commentary Report
 Year End Final Report

Core Board of Directors Meeting
 DECEMBER 2024
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 4 pages

	Year End FY24 Budget	Year End FY24 Actual	Variance
Revenues	\$883,098	\$835,002	(\$48,096)
Expenses	\$861,474	\$845,525	15,949
Surplus/(Deficit)	\$21,624	(\$10,523)	(\$32,147)

Summary:

Both year end revenue and expenses performed under budget, resulting in a negative variance of **(\$32,147)**. A transfer from the Endowment Fund in the amount of \$30,790 was carried out to help reduce the surplus deficit to **(\$10,523)**.

The two areas that continue to be a revenue concern are membership and webinars, both detailed below.

Membership dues revenue resulted in a negative variance of **(\$82,671)** due to the continued month over month loss of members. An issue with ALA Connect was discovered in Q2 that showed as many as 2,000 members were not receiving important communication from the division for the past 2 years. A communication campaign was launched in Q3 to reconnect these members. The division started the fiscal year with 4,297 total members and ended with 4,088, which is a 4.86% loss. A continued focus on member recruitment, brand awareness and member engagement are needed in FY25.

Webinar revenue resulted in a negative variance of **(\$58,502)** for two main reasons: fewer webinars than planned were presented in the first half of the fiscal year, lower than anticipated registration. This project would benefit from offering 1-2 webinar series on hot topics that draw a large audience. Efforts are underway to address this in FY25.

Key Budget Areas

ALA Overhead

Revenue: N/A

Expense: \$74,267 Budget \$77,184 Actual **(\$2,917)** Variance

Note: Overhead charges are nearly on budget.

Administration/Operations

Revenue: N/A

Expense: \$545,258 Budget \$496,987 Actual \$48,271 Variance

Note: Administration expenses performed under budget due to recent staff changes.

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Advocacy (including Preservation Week and Preservation in Action)

Revenue: \$12,000 Budget	\$6,750 Actual	(\$6,250) Variance
Expense: \$3,500 Budget	\$564 Actual	\$2,936 Variance

Note: The expense credit of \$2,300 is a refund from a Preservation Week exhibit space registration for a cancelled American Alliance conference that occurred a few years ago. Expenses are lower than budgeted due to an in-kind donation for supplies used for the Preservation in Action event.

Annual Conference (Programs/Events)

Revenue: \$2,500 Budget	\$23,000 Actual	\$20,500 Variance
Expense: \$5,000 Budget	\$17,836 Actual	(\$12,836) Variance

Note: The revenue in this project is a result of the new sponsorship opportunities offered this year. This has generated \$18,000 in additional revenue for the division. A 2023 sponsor payment in the amount of \$2,500 is included in the revenue total. The increased revenue helped to cover the higher than budgeted expenses for the Core President's Program, Core Happy Hour, and Core 101.

Awards and Scholarships (Donations)

Revenue: \$8,000 Budget	\$17,500 Actual	\$9,500 Variance
Expense: \$14,100 Budget	\$17,006 Actual	(\$2,906) Variance

Note: Increased award sponsorships allowed the division to offer more awards this year.

Endowment

Revenue: \$0 Budget	\$2,354 Actual	\$2,354 Variance
Expense: \$0 Budget	\$64 Actual	(\$64) Variance

Note: The individual donations received for the Core Forum Scholarship Fund and Core Advancement Fund went to support two 2024 Core Forum Scholarships.

Forum

Revenue: \$115,000 Budget	\$163,516 Actual	\$48,516 Variance
Expense: \$123,138 Budget	\$142,806 Actual	(\$19,668) Variance

Note: The revenue came in \$48k better than budget in large part to the \$44k sponsorship donations and the higher than budgeted paid attendance. Expenses came in \$19k over budget due to costs related to the increased attendance numbers and \$8k in higher than budgeted overhead paid to ALA.

Governance

Revenue: \$0 Budget	\$0 Actual	\$0 Variance
Expense: \$4,600 Budget	\$4,891 Actual	(\$291) Variance

Note: The expenses shown in this project are from the ASAE CEO Symposium (association executives training) that the president-elect and executive director attend as well as expenses incurred at annual conference.

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Journals/Subscriptions

Revenue: \$3,000 Budget	\$11,075 Actual	\$8,075 Variance
Expense: \$33,999 Budget	\$31,550 Actual	\$2,449 Variance

Note: The revenue variance is a result of the higher than budgeted royalty payments as well as three payments received to support the cost of providing open access for the journals, which is now offered to libraries through EBSCONET and Fokus (Harrassowitz). All three journals are now hosted on the ALA Open Journal Systems (OJS) Platform and the first issues came out in Q1 of this fiscal year.

Member Services/Dues

Revenue: \$372,048 Budget	\$289,877 Actual	(\$82,171) Variance
Expense: \$12,350 Budget	\$6,862 Actual	\$5,488 Variance

Note: The large variance in membership revenue continues to be a concern. A new automated member communication campaign was launched in Q1 to help new members find their groups and get involved in Core. An issue with ALA Connect was discovered in Q2 that showed as many as 2,000 members were not receiving important communication from the division for the past 2 years. A focus on improved communication and educating people on the benefits of being a member is needed in the coming year to help bring members that dropped back to Core.

Preconferences

Revenue: \$22,000 Budget	\$43,583 Actual	\$21,583 Variance
Expense: \$16,030 Budget	\$31,728 Actual	(\$15,698) Variance

Note: This project continues to perform very well for the division. Higher than budgeted revenue and expenses are a result of the higher than budgeted number of preconferences held at annual conference. Expenses includes a meals function charge of \$3,229 from the 2023 ALA Annual Conference (FY23).

Product Development

Revenue: \$500 Budget	\$651 Actual	\$151 Variance
Expense: \$0 Budget	\$312 Actual	(\$312) Variance

Note: The revenue that is earned in this project comes royalties earned from Core wear sales from the ALA Spreadshirt site. The expenses are related to graphic design costs.

Publications

Revenue: \$22,550 Budget	\$14,222 Actual	(\$8,328) Variance
Expense: \$6,870 Budget	\$3,044 Actual	\$3,826 Variance

Note: The revenue in this project includes \$11,307 in royalty payments and \$3k in sales. Total revenue came in 32% lower than budget for two main reasons: Sudden Selector Guides sales resulted in a negative \$3k variance and advertising sales resulted in a negative \$10k variance. Advertising sales, which was budgeted as a new revenue stream in FY24, was not implemented this year.

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Web Courses

Revenue: \$199,000 Budget	\$194,476 Actual	(\$4,524) YTD Variance
Expense: \$66,368 Budget	\$72,178 Actual	(\$5,810) YTD Variance

Note: Revenue in this project came in just \$4,500 lower than budget. The release of a new Fundamentals of Institutional Repositories web course this summer helped bring in additional revenue in Q4.

Webinars

Revenue: \$126,500 Budget	\$67,998 Actual	(\$58,502) YTD Variance
Expense: \$30,261 Budget	\$19,697 Actual	\$10,564 Variance

Note: Webinar revenue is the second largest variance in actuals for two reasons: we did not offer a hot topic webinar series to draw in a large audience like the RDA webinar series in 2023 and we experienced lower than budgeted registration numbers overall. Expenses are lower than budget due to the lower number of webinars held and waived speaker honorariums. The Best of Core Forum webinar series consisted of 22 webinars helped to bring in registration revenue and increase marketing and awareness for Core Forum.