

Financial Vitality Committee Report to  
North Carolina Library Association Board  
July 21, 2006

The Financial Vitality Committee met May 5, May 25, and June 29. It submitted recommendations to the Finance Committee at their meeting July 10. The committee has concentrated on strategies to increase income by increasing membership and services to members and to manage funds efficiently. It is working with the Membership Committee, the Operations Committee, and the Finance Committee.

The Financial Vitality Committee, with the endorsement of the Finance Committee makes the following recommendations to the Board of the North Carolina Library Association.

Recommendation 1.

**Leadership Institute.**

**Justification:** *The Leadership Institute has been a drain on the operating budget for the past decade. The purpose of the Institute is to provide professional development of members to prepare them for leadership roles within their organization as well as within the association.*

**Recommendation:** *The Leadership Institute Fund will be established outside of the Operating Budget and will be required to be self-sufficient. The Chair of the Leadership Institute will have the responsibility to solicit sponsorships, to apply for grants, and to request sponsorship for members from Sections and Round Tables. The Finance Committee requests representation on the Leadership Institute Planning Committee.*

Recommendation 2.

**Professional development workshops.**

**Justification:** *The major purpose of sponsoring workshops is to increase the value of membership, and, therefore, increase the membership by giving people important value for their dues. One of the primary benefits of membership in a Section or Round Table is the work with others of similar work responsibilities and/or interests. In a review of the current fund balances of Sections and Roundtables, it was obvious that some were carrying large balances from year to year and were not sponsoring workshops or events for their members.*

**Recommendation:** *To encourage more Section and Round Table activities, each Section and Round Table is expected to schedule a minimum of one event/workshop in a non-conference year and sponsor one session at the conference. If over a biennium there is no program sponsored by a Section or Round table, the continuation of a Section or Round Table will be discussed by the Executive board. Each Section and Round Table chair should include activities in the biennial report required by the association for publication in North Carolina Libraries. **Endorsed by the Finance Committee.***

Recommendation 3.

**Publication of North Carolina Libraries.**

**Justification:** *The cost of publishing, printing, and mailing print copies of North Carolina Libraries has risen over the past several years. The new editor and editorial board have begun making changes to keep the cost of production down.*

**Recommendations:** *(1) Resume selling advertising space; (2) offer space to Sections and Round Tables at a discounted rate; and (3) place an option on the membership form "I DO NOT wish to receive the printed volume of North Carolina Libraries" and include this in the membership audit mailing this summer. **For item (3) the Finance Committee***

recommended that the phrase “, a compilation of the online edition.” be added to the option statement.

Recommendation 4. – For discussion at this time.

**Deposit of funds.**

**Justification:** Funds are currently deposited in one bank with a checking account, a money market account, and a \$75,000 CD. Funds for scholarships and awards are in a separate bank to be assured of coverage of FDIC insurance.

**Recommendation:** When the \$75,000 CD matures, it should be divided as follows: 1/3 into investment, such as a CD; 1/3 put into interest bearing account but accessible for operations, if needed, such as a Money Market account, 1/3 should be placed to be available for the operating budget instead of withdrawing any from the Endowment account.

**The Finance Committee requests that this issue be tabled until the 2006 operating budget report for the 2006 is available. The CD is not due for renewal until April 2007.**

Other topics continue to be discussed:

To increase income

- \* \$5 of workshop fee for operating budget
- \* Advertising on Web site
- \* Fund raisers (in addition to license plates)
- \* Donations for chances on prizes
- \* Increase sponsorships during conferences

To reduce operating expenses

- \* Separate Project Grants out of the operating budget into a Fund account
- \* Establish virtual committee meetings (chat, blogs, video-conferencing)

Diane Kester, Chair

Wanda Brown, Kevin Cherry, Harry Cooke, Dale Cousins, Dave Fergusson, Nancy Fogarty, Beverley Gass, Ralph Scott, Tina Stepp, Caroline Walters, and Catherine Wilkinson