

# APPA's Financial Health at its 100-Year Mark

By E. Lander Medlin

Our membership should again be pleased with APPA's financial health and success. The fiscal year ending March 31, 2014 APPA posted an outstanding surplus of \$260,446 and restated its March 31, 2013 surplus position to a higher positive balance of \$159,065. As a result, this afforded us the opportunity to increase our commitments to both our operating and capital reserves to an increased level of \$500,000 (with Operating now at \$400,000 and Capital at \$100,000). The APPA headquarters building not only held its value but appreciated slightly with an assessment at approximately \$2.36 million as of February 2014 by the City of Alexandria. APPA owns its headquarters offices outright.

## TAKING A CONSERVATIVE APPROACH

The APPA staff and the Board of Directors understand the budget pressures our members face in this challenging economy given the continued slow economic recovery in both the U.S. and across the globe. Therefore, we continue to take a conservative approach with our budget while focusing on offering value and quality services for our members.

APPA experienced an operating surplus this year given a stellar turnout of registrants for both of the APPA U (Institute for Facilities Management and the Leadership Academy) program offerings last year. We also had a significant uptick

in regional and/or institutional deliveries of Supervisor's Toolkit, Drive-In Workshops, and the Academy-on-Campus programs. The regions are really on top of local deliveries and getting grassroots involvement. We were equally pleased with the turnout at the APPA 2013 Conference held in Minneapolis, Minnesota. Overall, our face-to-face educational programs are doing very well, thereby positively adding to the net bottom line. Additional revenue from job advertising sales (Job Express) greatly contributed to this surplus as well. We are continuing to focus on and further recalibrate all programs and their cost of delivery during this present fiscal year (2014-2015) to achieve a balanced budget.

## FINANCES AT A GLANCE

Graph 1, on the opposite page, shows the eight-year history of revenues and expenses for APPA. Revenues continue to grow from our low point after the Great Recession (March 09-10). Expenses have stabilized somewhat given some creative approaches to managing our long-term hotel contracts and combining two major educational programs under the APPA U umbrella.

Graph 2, also on the opposite page, shows this past year's revenues and expenses by activity/program. Membership expenses, totaling \$464,665, reflects the direct cost of membership department

salaries and benefits, travel and outreach efforts, printing, production and mailing of promotional materials, and other program supplies and equipment needs for the recruitment and retention of institutional members. However, and most importantly, membership dues also provide significant support for the direct cost of many APPA activities/programs such as Publication's preparation and delivery of the *Facilities Manager* magazine; website and database management; a portion of research and development; overall office operation; and planning and governance. Revenues and expenses are planned and monitored by staff and the APPA Board to achieve APPA's mission to support educational excellence with quality leadership and professional management through education, research, and recognition.

At this mid-year mark (September 30, 2014), we successfully delivered the 100-year anniversary celebration in San Diego, California. Several years of planning went into the final delivery of this event. Although an expensive proposition, all that attended were pleased with the outcome. An organization only turns 100 years old once! We developed and delivered several centennial video clips to memorialize APPA and, more importantly, look ahead to the issues and challenges the educational facilities profession, the built environment, and the education enterprise will face well into the future.

These video clips are available on APPA's YouTube site. Notably, they are being used to educate and inform facilities staff and senior institutional officers. You should plan to do the same at your institution!

**APPA'S ANNIVERSARY GIFT**

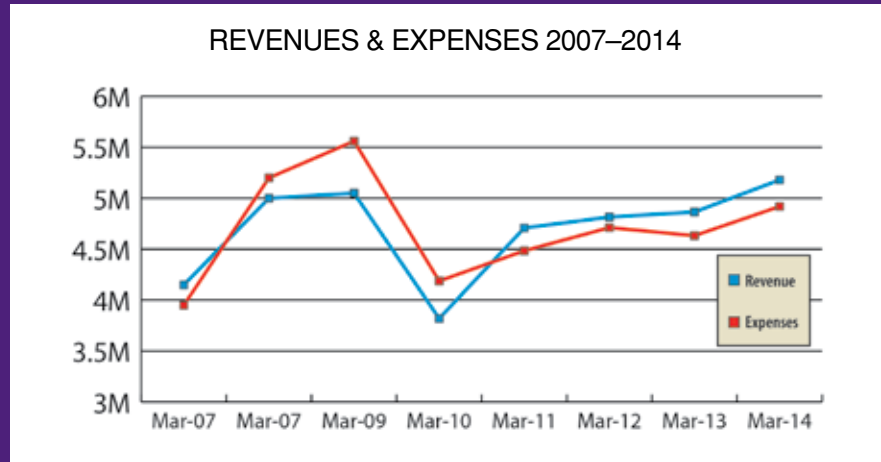
We also crested the 100-year mark with a huge gift to our members and potential new members. That gift is institution-wide membership for one flat institutional dues amount. That's right, every individual at any member institution who would like to be an associate member of APPA may do so just by establishing their own unique userID and password. It's easy to do. Just go to the membership section of the APPA website and sign up today! Now that's value and we all know APPA is the best value for everyone!

The Board and the APPA staff remain committed to delivering excellent programs, products, and services in as cost-effective a manner as possible. We will focus on non-dues revenue opportunities and provide you the best value for your membership. Our financial condition is enhanced by membership that is APPA active. Please encourage your peer institutions to be engaged in their professional organization. ☺

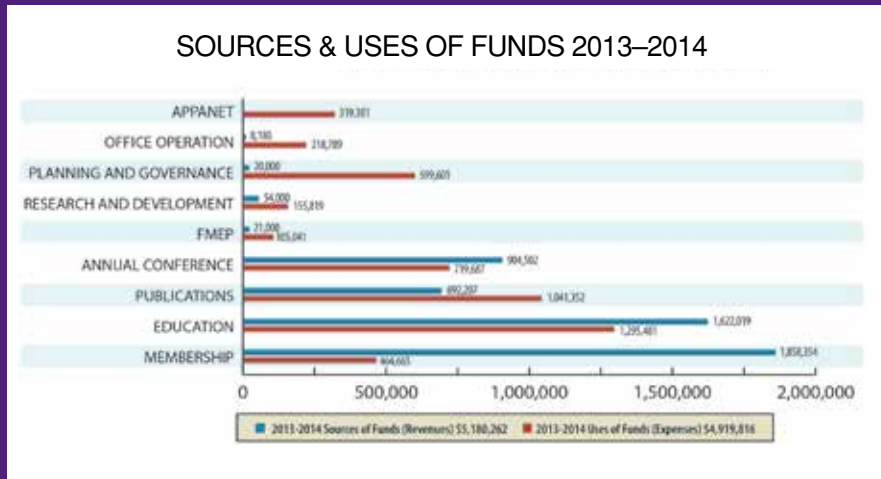
Lander Medlin is APPA's executive vice president; she can be reached at [lander@appa.org](mailto:lander@appa.org).



**GRAPH 1**



**GRAPH 2**



APPA has developed several centennial video clips to memorialize APPA and look ahead to future issues and challenges facing the educational facilities profession. You can view them at <https://www.youtube.com/playlist?list=PLW8xBpl-OqEZpzjnk3nM5UqTohxV8yqy0>.