



APPA's Financial Health (FY 2014-2015)

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Our membership should be pleased yet again with APPA's financial health and success to date. This year ending March 31, 2015, APPA posted a surplus of \$66,736. The commitment to both our operating and capital reserves remains level at \$500,000 (with operating at \$400,000 and capital at \$100,000). APPA's cash flow balance remains stable and had appreciated to \$1.9 million as of this fiscal year-end. In addition, the APPA headquarters building value appreciated slightly with an assessment by the City of Alexandria at approximately \$2.4 million as of February 2015. APPA continues to own its headquarters offices outright.

The APPA staff and the Board of Directors understand the continued budget pressures our members face in this challenging economy, given a generally slow economic recovery. Therefore, it remains prudent that we take a conservative approach with our budget while focused on increased value and quality services for our members.

HARD WORK PAYS OFF

APPA experienced this operating surplus given a stellar turnout of registrants for the APPA 2014 Conference (our 100-year anniversary celebration in San Diego, California last July 2014), a significant uptick in FMEP (Facilities Management Evaluation Program) reviews at several institutions, and a good ROI on the regional and/or institutional deliveries of Supervisor's Toolkit and Drive-In Workshops. The regions are really on top of local deliveries and getting grassroots involvement, which we greatly appreciate. Additional revenue from job advertising sales (through Job Express) contributed nicely to this overall surplus. We are certainly continuing to focus on and further recalibrate all programs and

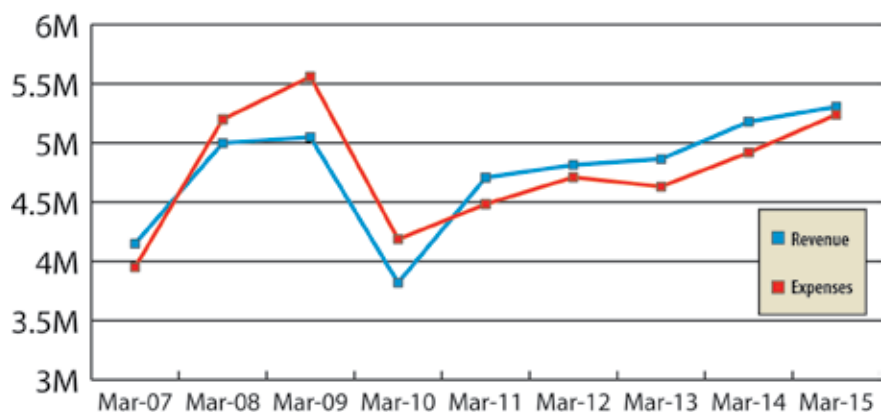
their cost of delivery during this present fiscal year (2015-2016) to achieve a balanced budget.

Graph 1 shows a nine-year history of revenues and expenses for APPA. Revenues have grown from our low point after the Great Recession (March 2009-2010) and thankfully have continued to exceed expense levels. However, the cost of doing business continues to climb—an ever-present challenge (as you well know).

Graph 2 shows this past year's revenues and expenses by activity/program. Membership expenses, totaling \$504,127, reflect the direct cost only of membership department salaries and benefits, travel and outreach efforts, printing, production, and mailing of promotional materials and other program supplies and

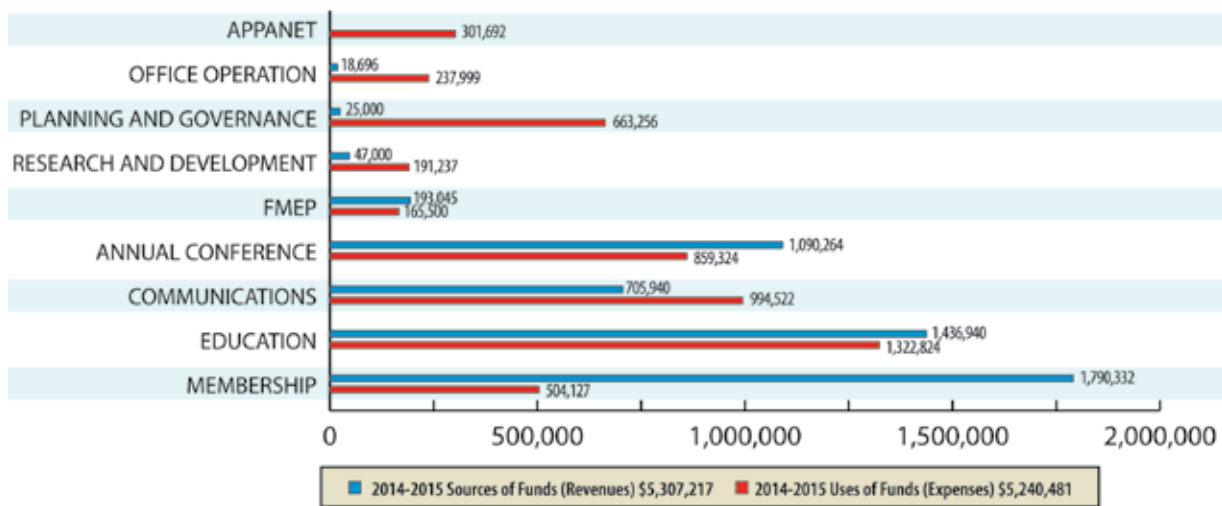
Graph 1

REVENUES & EXPENSES 2007-2015



Graph 2

SOURCES & USES OF FUNDS 2014-2015



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 the communication department's preparation and delivery of *Facilities Manager* magazine, website and database management, a portion of research and development, overall office operations, and planning and governance. All are important membership benefits and/or related activities and services.

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.

APPA GETS YOU THERE

At this mid-year mark (September 30, 2015), we successfully delivered the APPA 2015 Conference held in the windy city of Chicago, Illinois. Coming off that conference, APPA has embarked on its journey into the next 100 years by significantly updating its 2020 Strategic Plan. The completion of the Strategic Plan provides us the 20/20 vision we need to guide and direct the association toward a successful future that not only meets but exceeds


your expectations. Therefore, APPA is looking ahead to the issues and challenges that the educational facilities profession, the built environment, and the education enterprise will face well into the future.

As President Pete Strazdas aptly stated in his awards banquet remarks this past August, "Changes in technology, teaching pedagogy, public funding for education, aging teachers and facility staff, and the way our students think and learn are all things we must keep front-and-center as we design, build, and maintain facility assets. It's our time as facility professionals to earn a seat at the decision table and take a leadership role in aligning facilities with your institution's strategic plans and goals. APPA will help you get there!" As a result, APPA is ramping up its collaborative partnership efforts with other associations and agencies.

VALUE AND AN ENGAGED MEMBERSHIP ASSURES SUCCESS

So that you may more easily (financially and otherwise) engage, 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 user ID and password. It's easy to do. Just go to the membership section of the APPA website and sign up today! We

all know that APPA is the best value for everyone. However, we need to ensure everyone has access! Institution-wide membership for one flat institutional dues amount is compelling. Now that's value!

The Board and the APPA staff remain committed to delivering excellent programs, products, and services in the most cost-effective manner possible to provide you with the best value for your membership. Our financial health and well-being is only assured by a membership who is truly engaged. Please encourage your colleagues and peer institutions to be engaged in their professional organization. 

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