

Overview

Our finances continue to be robust and very stable. There are no significant surprises, positive or negative, since last year.

This year, with the end of the agreement with Drexel and the incorporation of the iSchools organization, we implemented a number of changes in our financial and reporting practices. We have not completed the transition yet, and as a result the reports are not as transparent and complete as usual. After we complete the transition of the banking function from Drexel, and the change of fiscal year (see below), we will be able to restate the accounts and provide a completely clean and transparent set of statements, but this probably will not be until July.

Details

One change is that we now have our own bank accounts, and Drexel is ending its provision of banking services to us. I would like to acknowledge with gratitude this service Drexel has provided for many years, at no cost to the iSchools organization. I especially want to thank David Fenske and his very helpful and competent staff for their in-kind support provided to the iSchools.

Because we have both payables and receivables outstanding that were invoiced with Drexel as the payee/recipient, we are transitioning funds gradually: most of the balance has been transferred to our new bank account, but a modest balance is still at Drexel to handle the few outstanding payables, and we expect that Drexel will receive some payments on outstanding invoices. We anticipate completely closing the Drexel account before July 2015.

The main consequence of the banking transition is that we do not have a single unified set of financial reports at the moment. We will get closing statements from Drexel over the coming months and expect to have combined and updated all financial reports by before July 2015. Meanwhile, we are validating each individual transaction in both bank accounts, and I am confident that there are no surprises lurking.

Another transition issue is that with the incorporation of the iSchools, we changed our fiscal year from 1 July – 30 June, to a fiscal year of 1 Jan – 31 Dec. This means that we need to restate our accounts and create a half year fiscal year, which requires restating our budgets and financial reports as well. We have started this process by setting up a new set of accounts and financial reports reflecting the new

(calendar) fiscal year, but we do not plan to restate the accounts for the last fiscal year (to change it to a half year) until after the Drexel funds are fully transferred and the Drexel closing statements are complete.

The issues above have no material effect on our balances or fiscal health. The consequence is merely that our financial statements at present are not as transparent or complete as they normally would be.

Financial status

Attached is a year-to-date (1 July 14 – 31 Dec 14) income statement for the old fiscal year, and a new year-to-date (1 Jan 15 – 23 Mar 15) income statement for the new fiscal year. Because we have not restated the accounts for the change in fiscal year yet, and do not have final closing statement from Drexel yet, these two statements are *not* fully coherent: that is, they cannot accurately be read sequentially, with some revenues and expenses appearing on both statements, and some missing. I will provide my summary report based on them, as well as I can.

Old fiscal year, 1 July 14 – 31 Dec 14

Essentially all revenue and expense items are either running at or about their pro rata flow rate (about half should be received or expended in the first half year), or for lumpy expenses (e.g., specific iConference expenditures), at the expected level as of 31 Dec 14. There are only two items of note:

- Membership dues collections are a bit on the low side (less than half collected for the year). I attribute this in large part to the fact that we have not sent out collection statements (reminders) yet, because of the transition in banking from Drexel and the change in the fiscal year. We wanted to delay pursuing collections until we decide – at the annual business meeting – how to handle dues invoicing for the change in fiscal years.
- There is an unbudgeted expense of \$35K for the communications director paid to Syracuse. This was a budgeted expense from the previous year (FY14) that was not invoiced, so there is no surprise there, it just got paid a (fiscal) year late (we do our books on a cash, not an accrual basis).

New fiscal year, 1 Jan 15 – 23 Mar 15

First, you will immediately see that the layout of the statement is somewhat different than in past years. As part of the transition to incorporation and changing banking provider we set up a new system for accounting (we had to consolidate the Michigan and Drexel accounts anyway). The new system is simple, reliable and more automated than before. It produces reports, but with a somewhat different

format. It is however a pretty standard format and easy to read once you get used to it.

There are no surprises or problems reflected in the YTD statement for the new calendar/fiscal Y15, but there are a couple of items of note:

- We have not collected any dues from the new fiscal year yet – sort of. At the moment we are reflecting all dues payable starting 7/1/14 (old fiscal year) as full year dues 7/1/14-6/30/15, but when we finish the restatement of accounts for the fiscal year change those dues will be reduced in half (to reflect the half fiscal year), and half of the revenue will be brought forward to the new fiscal year. Meanwhile, pending a decision from at the business meeting tomorrow, we have not yet issued invoices for the new fiscal year dues, so it is not surprising we haven't received any payments!
- There is a line for miscellaneous revenue showing \$460,100. This is an artifact, and will disappear when we restate the accounts. This represents the *balances* transferred from Drexel to our new bank account, and is not actually income. Think of it as a placeholder during the transition.

Fund balances

Our balance sheet year to date as of 23 March 2015 shows that we hold assets of \$445K, and liabilities of \$0. Our opening balance for the old fiscal year (i.e., as of 7/1/14) was \$462K. Our budget for the year forecast essentially a breakeven year, with expected closing balance of \$458K. We have dipped below that, but for reasons known and unsurprising: primarily the slight (and presumably temporary) dip in dues collections. All indications are that we are on target for an approximately balanced budget year, and no significant change in fund balances except for the adjustment due to the delayed payment to Syracuse mentioned above.

Respectfully submitted,
Jeff MacKie-Mason

iSchools
 FY15 Financial Statement (old fiscal year)
 Through December 31, 2014

	FY2015 Budget	FY2015 Actual	Variance	Support
Revenue				
Dues for FY2015	124,500	50,705	(73,795)	
Prior year dues	10,000	250	(9,750)	
subtotal dues revenue	134,500	50,955	(83,545)	
Lee Dirks Grant	5,000		(5,000)	
Social Media Grant	-		-	
subtotal other revenue	5,000	-	(5,000)	
Total revenue	139,500	50,955	(88,545)	
Expenses				
Conference Coordinator	52,000	25,998	(26,002)	
Conference coord - trip expenses	3,000		(3,000)	
Conference Awards & Grants	20,500		(20,500)	Lee Dirks Award and Social Media Awards
Doctoral Colloquium	6,000		(6,000)	
Chairman's expenses	10,000	954	(9,046)	
iSchool.org	7,020	3,048	(3,972)	Budget based on 1.3 USD per Euro
Communications Director	-	35,719	35,719	Payout of services provided by Syracuse University in FY14
Dean's Banquet	6,000		(6,000)	
Program Summary Project	30,000		(30,000)	
Memberships	8,100	7,500	(600)	
Donation	-		-	
Miscellaneous	1,000	(323)	(1,323)	Cross ref (169.00); Social media grant refund (-492.43)
subtotal expenses	143,620	72,896	(70,724)	
Net revenue	(4,120)	(21,941)	(17,821)	
FY15 Opening Balance	462,090	462,090		
Net Revenue	(4,120)	(21,941)		
FY15 Ending Balance	457,970	440,149		



iSchools Inc.
**Income Statement for the period
of 01/01/2015 - 03/23/2015**

Account Number	Account Name	Annual Budget	Annual Difference	% of Annual Budget	Amount
Income					
4010	Individual contributions	\$0.00	\$0.00	0%	\$0.00
4020	Corporate contributions	\$6,000.00	\$0.00	100%	\$6,000.00
5220	Assessment & dues - organizations	\$135,500.00	(\$135,500.00)	0%	\$0.00
5310	Interest - savings/short-term investments	\$0.00	\$0.00	0%	\$0.00
5490	Misc revenue	\$460,100.00	\$0.00	100%	\$460,100.00
Total Income		\$601,600.00	(\$135,500.00)	77%	\$466,100.00
Expense					
7020	Awards & grants - organizations	\$15,000.00	\$0.00	100%	\$15,000.00
7040	Awards & grants - individuals	\$15,000.00	(\$9,599.91)	36%	\$5,400.09
7050	Specific assistance individuals	\$0.00	\$0.00	0%	\$0.00
7520	Accounting fees	\$0.00	\$0.00	0%	\$0.00
7530	Legal fees	\$5,000.00	(\$1,692.20)	66%	\$3,307.80
7540	Professional fees	\$60,000.00	(\$46,503.97)	22%	\$13,496.03
8110	Supplies	\$500.00	(\$296.83)	41%	\$203.17
8180	Books, subscriptions, references	\$0.00	\$0.00	0%	\$0.00
8310	Travel	\$3,000.00	(\$3,000.00)	0%	\$0.00
8320	Conferences , conventions, meetings	\$0.00	\$1,500.00	0%	\$1,500.00
8530	Membership dues - organization	\$8,000.00	(\$7,725.00)	3%	\$275.00
8590	Other Expenses	\$1,000.00	(\$975.89)	2%	\$24.11
Total Expense		\$107,500.00	(\$68,293.80)	36%	\$39,206.20
Net Income / (Loss)		\$494,100.00	(\$67,206.20)	86%	\$426,893.80



iSchools Inc.
Balance Sheet as of
03/23/2015

iSchools Balance Sheet

Account Number	Account Name	Amount
Assets		
1000	Checking	\$28,995.60
1070	Savings	\$416,000.00
Total Assets		\$444,995.60
Liabilities		
Total Liabilities		\$0.00
Equity		
3010	General Fund Balance	\$384,703.60
3201	Social Media Grant Fund Balance	\$25,292.00
3202	Lee Dirks Award Fund Balance	\$5,000.00
3203	Program Summary Fund Fund Balance	\$30,000.00
Total Equity		\$444,995.60
Total Liabilities + Total Equity		\$444,995.60