

DATE: 29 June 2010
TO: ALA Council
FROM: Tom Wilding, Chair, Constitution & Bylaws Committee
RE: **Constitution & Bylaws Committee Report**

1. Endowment Trustees

The Constitution and Bylaws Committee was asked by the Endowment Trustees to consider the expansion of the number of trustees, which is currently limited to three by the ALA Constitution. The investment scene has become exceedingly complex, and ALA's endowment has grown in size, thankfully, over the years. The addition of trustees will allow expansion of the expertise base of the trustees as a group. The committee, in reviewing Article IX of the ALA Constitution decided to take the opportunity to make this article a bit more understandable by dividing the current very long, very complex paragraph into smaller bites and to deal with the fact that the Treasurer is already considered a member of the trustees and permitted by Sturgis to vote in the absence of any prohibition from doing so. The committee therefore moves Action Item #1.

Action Item #1

RESOLVED, that ALA Constitution, Article IX be replaced in its entirety with the following:

Article IX. Endowment Funds

1. Receipts from life memberships and all gifts for endowment purposes shall, subject to conditions attached thereto, constitute endowment funds. Subject to conditions legally incident thereto, such funds shall be in the custody of no fewer than three nor more than six appointed trustees. One or more of these appointed trustees shall be appointed by the Executive Board annually to hold office for three years from the date of appointment or until a successor shall be appointed.
2. The trustees shall have authority to hold, invest, reinvest, disburse, and otherwise deal with endowment funds in accordance with such directions as may be given them by the ALA Executive Board. The principal of and income from endowment funds shall be expended under the directions of the Executive Board but no such expenditures shall be made except in accordance with any conditions imposed by the donors of any such funds nor for any purposes which are not in consonance with the approved policies of the Association, nor shall principal be expended unless expressly permitted by the terms of the gift, or any amendment or modification thereof. No action shall be taken with reference to investment, reinvestment, or other principal transaction with respect to securities held in the endowment fund, except upon a resolution adopted by or written order signed by a majority of the trustees.

OVER

3. The ALA Treasurer shall serve as an *ex officio* voting trustee.

2. Executive Director

The ALA Constitution does not define the voting status of the Executive Director, who serves as one of the officers of the Association and as such is defined as a member of the Executive Board. This has an impact on the establishment of a quorum or a two-thirds majority for voting purposes. In order to rectify this, the committee feels it necessary to define the Executive Director as a non-voting officer and member of the Executive Board and to specify that the quorum (Article VII, Section 4) and the two-thirds and three-fourths votes required by Article III both refer to the voting members of the Executive Board.

Action Item #2a

Resolved that the ALA Constitution, Article VIII, Section 1 be amended to include the parenthetical descriptor “non-voting” after the Executive Director in the second sentence so that the sentence reads:

“The officers of the Association shall be a president, a president-elect, who shall serve as vice-president, an executive director (non-voting), and a treasurer.”

Action Item #2b

Resolved that the ALA Constitution, Article III be amended by inserting “voting” before the word “members,” so that the last sentence reads as follows:

“The Executive Board may suspend a member for cause after a hearing by a two-thirds vote of the voting members of the Executive Board and may reinstate a member by a three-fourths vote of the voting members of the Executive Board.”

Action Item #2c

Resolved that the ALA Constitution, Article VII, Section 4 be amended by inserting to read as follows:

“A majority of the voting members shall constitute a quorum of the Executive Board.”

ALA Constitution and Bylaws Members:

Steven Bowers, Intern

Kathleen Degyansky

Sue Kamm

Robbie Nickel

Anchalee Panigabutra-Roberts, Intern

Carlen Ruschoff

Tom Wilding, Chair

Patricia Hogan, Board Liaison

JoAnne Kempf, Staff Liaison