

**EBD #2.1
2010-2011**

MINUTES

ALA Executive Board Meeting

**2010-2011 ALA Executive Board
2010 Fall Meeting**

**October 22-24, 2010
Chicago, IL**

American Library Association

Volume 10

AMERICAN LIBRARY ASSOCIATION

**Executive Board Meeting
2010 ALA Fall Meeting**

American Library Association

Carnegie Room – ALA Headquarters

Chicago, Illinois

The ALA Executive Board met in the Carnegie Room of the ALA Headquarters in Chicago, Illinois from October 22 -24, 2010.

PRESENT: President Roberta Stevens; President-elect Molly Raphael; Treasurer Jim Neal; Immediate Past President Camila Alire; Executive Director Keith Michael Fiels; Executive Board members: Diane Chen, Joseph Eagan, Patricia Hogan, Em Claire Knowles, Stephen Matthews, Kevin Reynolds, Linda Williams and Courtney Young.

The agenda (2010-2011 EBD #9.1.1) is attached as Exhibit 1, the corresponding vote tally (2009-2010 EBD #1.11) is attached as Exhibit 2. All documents referenced in this section of the minutes are 2010-2011 documents unless otherwise noted.

Session One

The Board convened at 9:00AM on Saturday, October 23, 2010 with President Roberta Stevens presiding.

Agenda Approval

By consent, the Executive Board approved the agenda, as amended, for the 2010 Fall ALA Executive Board Meeting (2010-2011 EBD #9.1.1, Exhibit 1).
Consent agenda

Report Out of October 22, 2010 Board Effectiveness Session

President Roberta Stevens reported on the October 22, 2010 Board Effectiveness Session facilitated by ALA's parliamentarian Eli Mina.

Procedural/Consent Items

The Executive Board approved the following items:

By consent, approved the 2010 ALA Annual Conference Executive Board Meeting Minutes as amended (2009-2010 EBD #2.4, Exhibit 3), and the corresponding Vote Tallies (2009-2010 EBD #1.11, Exhibit 2). *Consent*

By consent, confirmed the Executive Board conference call votes from the October 4, 2010, call (2010-2011 EBD #1.2, Exhibit 4): *Consent*

Voted on the recommendation of the Budget Analysis and Review Committee that an organizational incentive of an amount equal up to 1 week salary plus benefits be awarded to all staff effective August 31, 2010.

By consent, accepted the following reports: President's Report (2010-2011 EBD #7.1, Exhibit 5); President-elect's Report (2010-2011 EBD #7.2, Exhibit 6); Executive Director's Report (2010-2011 EBD #12.3, Exhibit 7); Advocacy Report (2010-2011 EBD #12.4, Exhibit 8); Media Relations Report (2010-2011 EBD #12.5, Exhibit 9); Office of Research & Statistics Report (2010-2011 EBD #12.6, Exhibit 10) and Campaign for America's Libraries (2010-2011 EBD #12.9, Exhibit 11). *Consent Agenda*

Budget Analysis and Review Committee (BARC) Report – 2010-2011 EBD #3.1 (Exhibit 12)

Mario Gonzalez, BARC Chair, reported on the BARC meetings held on September 30 and October 1, 2010. He introduced two new BARC members, Courtney Young and Winston Tabb and discussed the following areas of BARC's focus:

- The 2010 fiscal year close has indicated a positive net revenue result;
- For the fiscal year 2010 budget, payroll was reduced by \$734,000, travel was reduced by \$135,000 and publishing created a savings of \$527,000;
- BARC recommended to the Executive Board that the organizational incentive be restored and the Executive Board took action at its October 4th call;
- New business development strategies were discussed, with the intent to identify opportunities where new products and markets may be developed;
- In preparation for the 2011 Midwinter Meeting, BARC will work closely with President-elect Molly Raphael to develop the agenda for the Planning and Budget Assembly. BARC also has interaction with the divisions through a liaison program and a joint meeting with BARC and division leadership. A finance workshop is also conducted at Midwinter. These three programs are designed to engage ALA leadership and other interested members in the financial aspects of the Association.

On a motion by BARC, the Executive Board

Voted that the Finance and Audit committee concurs with BARC and on the recommendation of the Finance and Audit committee the Executive Board approve the final FY 2011 Budget, 2010-2011 EBD #14.1, which includes all the motions. *EBD #14.1*

Mario Gonzalez emphasized that the budgetary ceiling is included in these motions.

Finance and Audit Committee (F&A) Report – 2010-2011 EBD #4.1 (Exhibit 13)
Jim Neal, ALA Treasurer, reported on the Finance and Audit Committee meeting held on October 21, 2010. He was joined by Greg Calloway, Associate Executive Director, Finance and Accounting. Together they discussed the following:

- FY 2010 Close Update – 2010-2011 EBD #14.4 (Exhibit 14)
As a result of staff furloughs, position eliminations and other accounting adjustments, projected net revenue is greater than originally projected. Jim Neal commented that ALA concluded the year with a positive fund balance of over \$100,000. Neal also noted that the expenses related to this net revenue include a return of the furlough dollars taken from staff earlier in the year.

On a motion by Jim Neal, the Executive Board

Voted that the Finance and Audit committee would like to acknowledge and recognize the extraordinary efforts by staff and the finance/accounting team for their work in bringing the Association to a positive financial result in view of the difficult environment in which they operated. *EBD #4.1*

- Final 2011 Total ALA Budget – 2010-2011 EBD #14.1 (Exhibit 15)
Jim Neal presented the FY2011 budget. Neal explained that this budget will be difficult due to economic conditions and the gradual erosion of stimulus funding available to support state budgets. There is no salary adjustment or furlough included in this plan.
- Controller's Report – 2010-2011 EBD #4.3 (Exhibit 16)
Jim Neal provided an update from the Controller's report which included:
 - The progress that has been made toward the implementation of the new financial management system.
 - The annual audit.
 - The regulatory issues regarding the new rules around retirement plans 403(B)s.

Endowment Trustees' Report – 2010-2011 EBD #13.0 (Exhibit 17)

Jim Neal, ALA Treasurer provided highlights from the Endowment Trustees' report which included:

- The Federal Reserve continues to maintain an interest-rate-friendly environment.
- The status of the market value of our investments.
- The distribution of our investments.
- ALA has a variety of small and large cap, SRI, and international and domestic equity investments.
- ALA maintains a comparable investment in fixed income investments – the largest is a Pimco bond fund.
- For the nine month period ending September 30, the Endowment Fund generated \$1.5 million in earnings and was valued at \$30.2 million.

Neal went on to report that the Endowment Trustees approved a number of changes to the ALA investment policy designed to strengthen the policy. There were three primary areas of change: a) allowance for investments in Exchange Traded Funds (ETF's) and institutional mutual funds, b) expansion/adjusts to the asset allocation weights and ranges, and c) inclusion of an expanded real asset category.

Raj Bhatia, ALA's Investment Advisor, discussed in more detail the proposed changes presented in the investment policy. Prior to that discussion he noted that ALA has been fortunate in that its Endowment Trustees are very diligent. Additionally, they have been far more proactive in their deliberations and forward thinking than the stewards of other similar sized investment portfolios.

He pointed out that the Policy changes included:

- The opportunity of employing institutional strategies.
- The introduction of new asset categories.
- Expansion of asset category ranges
- General housekeeping changes.

Raj Bhatia noted that the recommended changes will strengthen the policy and provide a greater degree of flexibility while operating in a volatile environment. The following action was taken:

On a motion by Jim Neal, the Executive Board

Voted that the Finance and Audit committee concurs with the Endowment Trustees and on the recommendation of the Finance & Audit committee, the Executive Board approve the updated ALA investment policy. *EBD #13.0*

Washington Office Report – 2010-2011 EBD #12.7 (Exhibit 18)

Emily Sheketoff, Associate Executive Director, ALA Washington Office, provided a written report and led a discussion of developments at the ALA Washington Office and Broadband issues, including the following:

- Sheketoff noted that the Republican caucus will choose who the chairs of the committees are going to be if the Republicans win in the November 2010 election. The chairs of the committees are very important because they decide what issues will be highlighted in the committee. The Republicans have a rule within their caucus that no member can be chair or ranking member for more than six years. If the Democrats win, there could be some changes in the chairs as well, because they will be looking for more moderates who can work across the aisle. The decisions are made within the caucus outside the public view and ALA will know the outcome in January.
- Susan Hildreth has been nominated to be the Director of Institute of Museum and Library Services (IMLS). As a part of the Library Services and Technology Act (LSTA) re-authorization, IMLS has begun developing relationships and partnerships with a number of government agencies. IMLS is now working with Health and Human Services (HHS) and they are moving forward with a more formal relationship on Head Start and some early literacy efforts. ALA is also in the process of developing it's relationship with the Department of Education.
- The FCC has released a new e-rate order which moves to simplification. The e-rate order raises the cap tied to inflation, so as there is inflation, the cap would be raised.
- Rural Libraries: The Department of Agriculture has some funding specifically for rural libraries. ALA will conduct a webinar with the Department of Agriculture officials and IMLS and a consultant for ALA to lay out funds that are available to them, how one can apply for funds and what they can be used for.
- The Consumer Products Safety Commission (CPSIA) is still concerned with lead in books. The CPSIA has released some new information regarding children's play things that included books published after 1985; however, they did not address books prior to 1985.
- ALA now supplies Capwiz through our federal contract to all states. The chapters are using this as well. This is a great tool to help the chapters, and on a federal level, to communicate with Congress.

Sheketoff commented on the importance of broadband. The Federal Communications Commission was tasked with creating a national broadband plan. Of the 25 most robust economies, the United States is the 19th in broadband. This is a concern because as the United States moves from an agricultural and industrial country to a more technological country, broadband is essential. It is needed for business as well as home use. When students complete school and prepare for careers they need modern technology to become a strong 21st Century workforce. The FCC did a study and spoke with the Office of Information Technology a great deal. They are calling on the Federal Government to make broadband available across the country and to make certain that geography will not

determine who has access to the technology and the necessary bandwidth. The stimulus program was available for this and \$7.2 billion was set aside for broadband.

ALTAFF Membership Report – 2010-2011 EBD #12.1 (Exhibit 19)

Sally Reed, Executive Director of the Association of American Libraries Trustees Advocates Friends and Foundations (ALTAFF) and Rod Gauvin, President of ALTAFF, reported on the membership of ALTAFF which included the first round of membership renewal. There were a significant number of dropouts for various reasons, but mainly because the members did not see how they fit into the new ALA structure. The confusion lies in the fact that when the members received a renewal notice, it appeared to be a subscription renewal. ALTAFF is now looking for a way to serve those groups and trustee boards at the local level with the education, resources and toolkits and practical guides that ALA has for them. ALTAFF would like to broaden their membership to include citizen group members. That would encompass the Board of Trustees and friends' groups. They would get only ALTAFF services; not the full array of ALA membership services.

On a motion by Molly Raphael and seconded by Courtney Young, the Executive Board

Voted that the Executive Board approves a two-year trial period for a new category within ALTAFF called “Community Group Members” beginning October 25, 2010. *EBD #12.1*

Report on the 2010 and 2015 Strategic Plans – 2010-2011 EBD #12.10 (Exhibit 20)

Executive Director Keith Michael Fiels and Mary Ghikas, Sr. Associate Executive Director, discussed the 2010 and 2015 Strategic Plans. Ghikas had created a detailed tracking system to cumulate the accomplishment and the implementation of strategies in the 2010 plan. There were 34 objectives over a five-year period; 40 units generated information which was fed into the tracking spreadsheet.

They commented on the strategic planning process and described it as an outline of goals, objectives and the assessment at the objective level. She also noted that strategies to achieve these goals and objectives come out of individual discussions with management staff, the unit managers and members.

Keith Fiels commented on the development of a new resource on the value of libraries and the impact of the strategic plan. The goal is to take the information which is currently organized in bibliographies, websites and research that is being done in various places and try to organize a resource that is structured around impact measures.

Report from the Nominating Committee for the 2011 ALA Election – 2010-2011 EBD #10.0 (Exhibit 21)

Robert Newlen, Chair, ALA Nominating Committee for the 2011 Election, participated via conference call to present the committee's report. The Board had already received the slate of candidates for ALA President and Councilor-at-Large.

Newlen commented on the composition of the Nominating Committee. He noted that it was very helpful to have the committee decide to make a commitment to explore personal networks and spend time calling candidates and providing them with information regarding what was involved in being ALA president or a member of Council. Newlen also noted that the number of candidates for Council were from a diverse group of types of libraries. He indicated that spreadsheets which were created for the Committee's use will be available for next year's Committee. He also reported that ALA Connect was a helpful tool in the committee's work.

The Board adjourned at 2:00PM and moved into Closed Session.

Session Two

Session Two of the ALA Executive Board convened at 11:00AM on Sunday, October 24, 2010 with ALA President Roberta Stevens presiding.

PRESENT: President Roberta Stevens; President-elect Molly Raphael; Treasurer James G. Neal; Immediate Past President Camila Alire; Executive Director Keith Michael Fiels; Executive Board members: Diane Chen, Joseph Eagan, Patricia Hogan, Em Claire Knowles, Kevin Reynolds, Linda Williams, and Courtney Young. Steve Matthews was not present at this session.

Report out of 10/23/10 and 10/24/10 Closed Sessions

President Roberta Stevens reported on the Board's discussions during the Executive Sessions that took place on October 23 and October 24, 2010

- ALA's legal counsel, Paula Goedert, provided an update on legal matters of interest to the Board.
- The Board discussed the ALA Executive Director's evaluation.
- The Board discussed Post Retirement Benefits.
- The Board reviewed nominations for Honorary Membership. The Board recommended one nomination for presentation to ALA Council at the 2011 Midwinter Meeting.
- The Board reviewed and approved a recommendation from the Association for Library Services to Children (ALSC) for appointment to the United States Board on Books for Young People (USBBY).
- The Board approved the President-elect's slate for the ALA Nominating Committee for the 2012 Election.
- The Board reviewed nominations for International Federation of Library Associations and Institutions (IFLA).

Development Office Report/Spectrum Presidential Initiative – 2010-2011 EBD #6.0 (Exhibit 22)

Kim Olsen-Clark, Director, ALA Development Office, began her report with comments about how her office is not only reaching out for development opportunities, but also attempting to find an appropriate fit within ALA for other opportunities that appear. She highlighted the following activities of the Development Office:

- The e-magazine @your library website is starting to see more activity. IMAX would like to partner with ALA to work with the website and other opportunities as well.
- Campaign for America's Libraries has activities going on with the Metropolitan Group and the Public Information Office with Lifetime and *Parent and Child Magazine*.
- Library Champions is being reviewed closely in regards to how ALA wants to grow that particular program. The Development Office is doing more outreach

to corporations and foundations to become library champions and how to build on it.

- We are looking at how we can do more with our planned givings program.
- Dollar General Literacy Foundation has just recently funded a grant to both Association for Library Service to Children (ALSC) and Young Adult Library Services Association (YALSA) Divisions for more than \$210,000.
- “A Fresh New School Year” is a brochure that was put together by the Kids Health Organization as part of the Nemours Foundation. It presents some interesting back to school tips for parents of teens and tweens.
- The Target Corporation has launched a social initiative which also has a civic participation element to it. Their program is called Target Read With Me; ALA is a partner with them on that program.

Olsen-Clark was joined by Miguel Figueroa, Director, Office for Diversity, to continue discussion of the Spectrum Presidential Initiative. Ms. Olsen-Clark reported that the Spectrum Presidential Initiative has a million dollar goal and gifts and pledges are now at \$414,000; the majority coming from ALA membership.

Figueroa reported on the survey of Spectrum Scholars. He noted that this is the first survey of Spectrum Scholars that has been conducted since 2003. This survey is looking at graduation rates and professional attainment. The survey was launched on September 1st, surveying 605 Spectrum Scholars. At this time, there has been a 41% response rate.

Approval of Programmatic Priorities – 2010-2011 EBD #12.8 (Exhibit 23)

The Executive Board affirmed the programmatic priorities to be sent to ALA Council for approval at the 2011 Midwinter Meeting. “Transforming Libraries” was added to the programmatic priorities. Executive Director Fiels explained that these programmatic priorities are the first policy step with regard to the budget. Council approves these as a broad direction for crafting the 2011 budget. The Board discussed the programmatic priorities and how they coincide or differ from aspects of the strategic plan. On a motion by Em Claire Knowles, seconded by Patricia Hogan, the Board

Voted to recommend the following programmatic priorities in line with the *ALA 2015* strategic plan:

- Advocacy for Libraries and the Profession
- Diversity
- Education and Lifelong Learning
- Equitable Access to Information and Library Services
- Intellectual Freedom
- Literacy
- Organizational Excellence
- Transforming Libraries

Midwinter Planning and Budget Assembly (PBA)

Mario Gonzalez, Chair of BARC advised that he will present the 2011 budget along with Molly Raphael, Chair of the Planning and Budget Assembly. Jim Neal, Treasurer will

present the final 2010 budget results. Gonzalez also suggested that the highlights of completing the 2010 strategic plan should be presented as well as the beginning of the 2015 strategic plan.

Discussion of Items to be Communicated to ALA Council

Executive Director Fiels will create a draft report to Council which will reflect items discussed during this Fall meeting. He will forward the draft to President Stevens who will review it and distribute it to the Executive Board for review prior to sending to Council.

The Executive Board members recapped the items discussed over the past two sessions and made comments reflecting what they considered should be emphasized.

Report on Board Effectiveness

Immediate Past President Camila Alire, Chair of the Board Effectiveness Committee, commented on the Board's performance during this meeting.

The Board meeting was adjourned at 1:40 PM.