

Resolution on Financial Autonomy and Collaboration among ALA Management and Divisions and Roundtables

Whereas the American Library Association (ALA) is unique among American associations in the manner in which it is structured. It is one association, with indivisible assets and a single set of uniform administrative, financial, and personnel policies and procedures. It is governed by one Council, from which its Executive Board is elected, and is managed by an Executive Director who serves at the pleasure of that Board (ALA Policy A.4.3.4.2);

Whereas it is also the home for eleven Divisions (as of June 1, 2020), each of which has responsibility for generating revenue to support staff and carry out its programs (ALA Policy A.4.3.4.2);

Whereas Divisions and all other units of ALA are inextricably interrelated in structure, personnel, resources, overall mission, and operations... By supporting Division operations through the provision of space and services, ALA gives tangible evidence of its recognition of the importance of Divisions in meeting the needs of its members... Divisions and ALA are committed to maintaining a collaborative style of interaction and to remaining flexible enough to address the ever-changing issues facing libraries and librarians... This collaborative model implies mutuality in all relationships, the ability of any aggregation of units to work together for the common good, and the coexistence of Division autonomy and ALA unity (ALA Policy A.4.3.4.2);

Whereas Divisions are integrally involved in the decision-making process of the Association (ALA Policy A.4.3.4.2);

Whereas ALA provides leadership for the development, promotion, and improvement of library service. ALA values the strength and effectiveness of its Divisions. Divisions are best able to carry out their missions when their members have the autonomy, independence, and freedom to pursue goals and objectives of particular concern to them, as well as to participate democratically in the Division's direction, governance, and financial decisions (ALA Policy A.4.3.4.3 D);

Whereas ALA defines ALA Basic Services separate from Division Basic Services;, Overhead (Internal & External), and Fund Balance (ALA Policy A.4.3.4.4 D).

Whereas Divisions are governed by prevailing ALA fiscal policies and procedures. Divisions shall participate in formulating and revising these policies and procedures (ALA Policy A.4.3.4.6.A);

Whereas ALA and the Divisions share costs... (ALA Policy A.4.3.4.6.C.3);

Whereas Division Boards have responsibility for developing and approving budgets and multi-year program and financial plans, which are then reviewed by ALA management and BARC. Annual budgets are approved by the ALA Executive Board. Divisions also have the responsibility to alert the Association to any planned activities that could have a potential negative impact upon the fiscal stability of the Association (ALA Policy A.4.3.4.6 G);

Whereas ALA Council has assigned specific responsibilities to Divisions. To carry out these responsibilities, each Division requires a base of operating revenue. ALA recognizes that each Division must have staff and must provide basic services to its members as defined in Section III (ALA Policy A.4.3.4.6 H);

Whereas the Divisions will be kept informed about the Association's financial health and will be involved in meaningful consultation when there is potential impact on Divisions, collectively or individually (ALA Policy A.4.3.4.6 I);

Whereas ALA provides the support necessary for Divisions to conduct business and plan and present Conference programs (ALA Policy A.4.3.4.10);

Whereas each Division has autonomy in its own planning processes within its area of responsibility as designated by ALA Council, subject to present and future ALA policies (ALA Policy A.4.3.4.12);

Whereas the Annual-Operating agreement is a mandated item on the Planning and Budget Assembly (PBA) agenda. Division Boards review any Budget Analysis and Review Committee (BARC) recommendations and respond to BARC (ALA Policy A.4.3.4.4.C)

Whereas the ALA financial situation reached a crisis point in late 2019 requiring that ALA consolidate 100% of Division and Roundtable accumulated net revenue into a single fund not controlled by those units. This was done without adequate communication to the BARC, nor the Division Leadership;

Whereas the Divisions and Roundtables are required to maintain a budget and to pay for Basic Services with their Dues and contribute to ALA overhead, while generating revenue to support staff and carry out its programs.;

Whereas this situation inhibited the Divisions and Roundtables' autonomy, independence, and freedom to pursue goals and objectives of particular concern to them, as well as to participate democratically in the Division and Roundtables' direction, governance, and financial decisions by not being able to control the revenue they held in their base operating revenue; and

Whereas Divisions and Roundtables operations cannot use money from the General Fund to offset expenses for non-dues revenue-generating products and services. ALA basic services should not be wholly funded by Divisions and Roundtables, but by dues, revenue-generating products and services, and prudent management. ALA needs sound financial management across all of ALA. Divisions and Roundtables should maintain autonomy; now, therefore, be it

Resolved, that the American Library Association (ALA) by action of the Treasurer seeks permission from the Executive Director, Executive Board, Chair of BARC, and the respective Division President or Roundtable Chair, to transfer 25% or more of a Unit's fund balance from the unit's accumulated net revenue to supplement overhead cost, with an understanding that the transfer is temporary and with the understanding that the full amount will be restored to the unit's account.

Mover: Jennifer C. Boettcher, Councilor at Large
Secunder: Dorcas Hand, Councilor at Large
Rhonda Gould, Councilor at Large