

**EBD #2.3
2018-2019**

**MINUTES
ALA Executive Board
2019 Spring Board Meeting**

April 5-7, 2019

**Chicago, IL
American Library Association**

Volume 19

AMERICAN LIBRARY ASSOCIATION
Executive Board Meeting Minutes
2019 Spring Board Meeting
Chicago, IL

The ALA Executive Board met in the Carnegie Room at the ALA Headquarters in Chicago, IL from April 5-7, 2019.

PRESENT: President, Loida Garcia-Febo; President-elect, Wanda Brown; Immediate Past President, James G. Neal; Treasurer, Susan Hildreth; Executive Director, Mary W. Ghikas; Executive Board members: Tamika Barnes, Trevor Dawes, Karen Downing, Ed Garcia, Maria Taesil Hudson McCauley, Andrew K. Pace, Lessa Kanani'opua Pelayo-Lozada, and Patricia "Patty" M. Wong; and Director of the Office of ALA Governance, JoAnne Kempf & Director Designate Sheryl Reyes.

The agenda (2018-2019 EBD #9.2.2) is attached.

Session II

The Board convened at 8:30 am on Saturday, April 6 with President Loida Garcia-Febo presiding.

Agenda Approval

By consent, the Executive Board approved the agenda for the 2019 ALA Spring Executive Board Meeting (2018-2019 EBD #9.2.2).

Procedural/Consent Items

By consent, the Board accepted the following reports: President's Report, (EBD #7.4), Executive Director's Report (EBD #12.21), the Development Report (EBD #6.3) and the Office for Intellectual Freedom (EBD #12.31).

President-Elect's Report (EBD #7.5) was tabled for more detail and discussion.

By consent, the Board approved the 2019 ALA Executive Board Midwinter Meeting Minutes and the corresponding Vote Tally (EBD #2.2 and EBD #1.8).

Executive Session Report Out – April 5, 2019

President Garcia-Febo reported on the closed session on Equity, Diversity and Inclusion, Crisis Communication, and Budget.

Finance & Audit Committee (F&A) Meeting – EBD #3.9

Susan Hildreth discussed the F&A Meeting on April 4, 2019:

- FY2019 results ending January 31st (5-month period) were provided. ALA budget is on target. Total revenues were higher than budget, and expenses were lower than budget. The general fund was offset by the growth in Endowment and Grants & Awards. The division revenue was also lower than expected for this time of year.
- There are currently 12 positions throughout the Association. It was noted that it takes approximately 77 days to fill an open position. As part of the discussion she noted the importance of the EDI program within the Association and that HR is over expenses related to diversity sessions for staff and supervisors.
- Development Investment
 - Funding of 2.5 positions reallocated to Development Office. FY19 & FY20 are building years for infrastructure and we will start seeing results in FY21.
 - Designing, printing and mailing fundraising materials
- ITTS Investment
 - Operating budget
 - Investment budget
 - Moving budget
- Advocacy Investment
 - A combination of the “Fly-In” and National Library Legislative Day
 - Phase II of the Customer Relationship Management (CRM) System – Salesforce
 - Commitment by ALA to building a national advocacy network based on a minimum of one key contact in every congressional district
 - ALA participation in external events
 - \$60,000 for a national policy corps
- Recognized Maggie Farewell for her leadership in BARC.
- FY19 projections show a 1.2 operating fund deficient. Higher than anticipated operating deficit is coming from higher AV costs from Midwinter, lower publishing revenue, lower interest income, lower overhead from Midwinter, and publishing divisions. FY20 is a two-conference year, hope to have a higher revenue from ALA editions and Schumann, 7% increase for benefits, and 2% salary increase in January 2020.
- President-elect Wanda Brown presented her presidential initiatives/priorities and corresponding budget of \$75,000.
- Publishing is looking at new ways and possibly how to package the content we already have for continued growth.

FY2020 Proposed Budget – EBD #3.10

- We are looking at an additional \$1.2 million operating deficit on top of the planned investment spending.
- The change in the post-retirement benefits and endowment in 2017 and 2018 grew net assets.
- Susan and Maggie will work with the Finance staff to develop talking points about finance numbers for the board to communicate to members.
- Publishing, Conference, and Membership continue to make revenue. ALA management group is aware and talking about potential additional revenue by focusing efforts in continuing education and re-thinking what is given away for free, as well as looking at the content strategy for the association.
- There is no overall awareness of ALA's digital assets.
- Finance needs to reconcile numbers from the different finance documents. A five-year plan will be updated before Annual Conference.

Endowment Trustees Report – EBD #13.2

Pat Wand, Sr., Trustee, reviewed the Endowment Trustees Report:

- Trustees are studiously working towards a diversified portfolio on behalf of the association.
- Trustees are working with the Development efforts for ALA to grow book value in the future.
- Financial efforts are operated in the context of market impacts and expectations for 2019.
- We are invested in 20 different funds to make a fully diversified strong portfolio.
- There is an increase and improvement on the time weighted rate of return.
- Gains were made by in investing environment, social and governance funds.
- A draft Investment Policy Statement was presented for input from the Board and approval in the future. Susan Hildreth will send the current and proposed version to the Board. Feedback must be returned before May 14th. The Board will approve at Annual Conference.
- An Endowment Trustees six-month plan was presented.
- Trustees received recommendations from the social responsibility and the sustainable round table regarding how we conduct our business and raising questions about portfolio advisors and other issues. A response was issued in mid-March.
- There are two Trustees openings. The criteria are being revised so the position is more attractive for members to apply.

Real Estate Update

Mary Ghikas provided a brief real estate update.

- ALA narrowed down the building to two locations, there is no final recommendation for the board yet.
- ALA is working with the architect, Nelson, to do a test fit. Last week a group of ALA staff went to the Merchandise Mart to look at furniture and requested proposals.
- There will be no retail option, however we are looking at options to build a museum/library.

Publishing Report – EBD #12.22

Mary Mackay, Publishing Executive Director reported:

- Publishing does not have a linear growth, rather peaks and valleys. The department is working on right-sizing goals for realistic sustainability in all units for FY20 and for the ALA five-year plan.
- *The Librarian's Guide to Homelessness* was the bestseller as it addressed issues librarians were facing.
- Publishing has an established partnership with AASL, which has five more books coming out this Fall. The AASL Standards made a strong start in FY19. Several related new projects will be published in collaboration with AASL in FY20, likely to help maintain and renew interest.
- Throughout the department, staff continues to focus on efforts to add and develop productive collaborations, both internal to ALA and external.
- ALA Publishing eLearning Solutions increased internal collaboration and partnerships, bundled sales, and a focus on setting up “debit account” type arrangements with organizations and institutions. E-Learning is working on a contract with Kentucky and North Carolina and closing a deal with four states to deliver five e-learning events.
- ALA Graphics sales are also expected to improve in the second half of FY19, with a strong line-up of more than 25 new products.
- A new editor/publisher will be sought as Bill Ott is retiring after 39 years at ALA. Booklist has delivered phenomenal revenue to the association.
- Resource Description and Access (RDA) 3R project has been delayed by late delivery of content (outside ALA control) which has impacted subscription revenue in FY19 as well as related print products in ALA Editions. FY20 will be the turnaround year with the completion and launch bringing increased US and international opportunities and activity.
- GDPR presents a risk because ALA generates revenue from email and marketing. Paper costs is another challenge because the number of paper mills are going down.
- Mary Ghikas and a subgroup of the board will have a conversation with American Libraries/Sanhita to discuss or showcase the proactive (etc. EDI) work.

Conference Services Report – EBD #12.23.2

Earla Jones, Conference Services Director and Paul Graller, consultant reported:

- Discussed if vendors/exhibitors are being attracted to the new (formerly called Midwinter) event.
- BARC and F&A will review the new proposal again from a financial perspective.
- The new Midwinter will showcase what ALA has to offer membership and an opportunity to engage in a networked arena.
- The concerns about changing the Midwinter meeting is “where did my meetings go?”, not the content of the program. Therefore, we need to start thinking differently about how the work gets done.
- The only policy requirement is that Council must meet ahead of Annual. There is nothing in bylaws that requires ALA to have a Midwinter meeting. However, Midwinter is referenced throughout policy, so we need to revise the policy.
- The Executive Board will still have input on the selection of meeting locations and to ensure alignment with Chapter conferences.

Membership Report – EBD #12.24 EBD #12.32

Lorelle Swader, Associate Executive Director of Offices & Member Relations reported:

- ALA is slightly behind on membership revenue because of software and processing glitches.
- There was an influx of calls into membership and customer service center.
- AASL and student memberships are growing.
- Organizational/group membership are slightly growing due to United for Libraries programs. The membership department is looking into changing how organizational membership is packaged.
- There is flat growth in membership but working on new strategies based on the Avenue M report.
- Membership staffing updates:
 - Seeking a new Director of Membership
 - Hired a Community Manager and Project Manager to work on Connect
 - Hired a Membership Communication Specialist
- ALA is working on the member value proposition, which is currently around advocacy, intellectual freedom, professional and leadership development.
- 60% of ALA members are in a division.
- Department is working on auto-renewals and payment plans with ITTS.
- Department is exploring the possibility to renew division memberships online versus a paper form

On the recommendation of the Finance & Audit Committee, moved by Susan Hildreth the Executive Board

- **Voted** to approve applying the calendar year 2019 change in the national average Consumer Price Index (CPI) (2.2%) to adjust personal member dues in the FY20 budget.

Development Report – EBD #6.4 CBD #28, CBD #29

Sheila O'Donnell, Development Office Director reported:

- The Development Office is now fully staffed.
- Travel budget was increased for the major gifts effort.
- Department increased fundraising materials, designing, printing and mailing.
- Department is participating in the Salesforce pilot.
- Philanthropy Advisory Group will be engaged so that members can lead the process of fundraising.
- ALA is low in the gifts that are not planned or budgeted.
 - In FY18, the annual fund campaign had a match of \$100,000 available for gifts from individuals of up to \$1,000 that came in between November 1 and December 31.
 - Received \$150,000 in December that was to fund the Gail Schlachter Memorial Fund. AASL received a \$40,000 one-time contribution gift.

Washington Office/Advocacy Report – EBD #12.20

Kathi Kromer, Associate Executive Director Washington Office reported:

- Public Policy and Advocacy Unit hosted first Congressional Fly-In 2019 and met with decisions makers as well as new people that could sign the letter.
- There were increased signatures of the LSTA “Dear Appropriator” letter.
- It was announced the permanent selection of Karyn Temple to be the registrar of copyright. Jim Neal is the Public Policy Fellow, and he is going to help advise and guide unit on copyright and licensing matters in the future.
- Advocacy office continues involvement with coalitions on the Save the Internet Act of 2019 to make sure that the library voice is heard.
- The Access Broadband Bill and the Digital Equity Act bills will be reintroduced again, which we support.
- The event on the Hill during National Library Week was rescheduled, which may be better due to the kickoff of summer reading programs and the availability of Representative Hurd who has a strong interest in literacy.
- Advocacy content is continuing to perform highly across ALA’s social media channels.
- Completed fact sheets are ready for each state with IMLS data and increased engagement through social media.

- Loida Garcia-Febo spoke at Census Day and at the press conference. Director Dillingham and Senator Reid recognized the ALA for being great partners.
- ALA stands in opposition of the question about immigration being added to the census question and citizenship status.
- Grow with Google project has a blog highlighting libraries and their favorite library story and what libraries mean to them.
- Salesforce pilot should be fully operational for a beta test in June.
- A consultant was hired for the national network, who is working through the timeline and goals to launch the project, as well as working closely with Chapters and Membership. The network will pilot a few states which may highlight the possibility to create a district captain or key contact in each district.
- National network will help ALA strengthen policy and advocacy program across all levels of government. The more engaged members are, hopefully the more they feel comfortable doing this and also get more people to the table.
- Affordable Textbook Act was reintroduced and supported. Website shows when ALA joins a coalition letter or support.
- ALA received positive feedback from the Board, policy corps, and chapters regarding the fly-in event and the app used to keep meetings on track and to provide feedback.

ITTS Report – EBD #12.25.1

Tobin Conley, DelCor Consultant, reported:

- Technology investments were revised to change the Drupal Web Developer position to User Experience Manager position.
- Before the real estate move occurs ITTS will temporarily co-locate systems. A budget for the move has been created.
- The decommissioning of legacy services is ongoing.
- ALA will be able to advantage of business intelligence through better data governance and leadership.
- The digital asset inventory is in progress.
- The IT organization structure has been recombined to enhance emphasis on business intelligence, project management, and training to make a strong technology team. In FY19, 11.5 positions are proposed and in FY21, 15 positions are proposed.
- IMIS assessment is in the '21 budget, as there will be a possibility that IMIS could be replaced with a Salesforce based product.
- The content management system, Drupal, will also be assessed.
- The CIO will be responsible for cyber-security.
- The credit card secure work is more about the PCI compliance.

The Board adjourned to convene the ALA-APA Board of Directors Meeting.

Session II

The Board convened at 8:30 am on Sunday, April 7, 2019 with President Loida Garcia-Febo presiding.

PRESENT: President, Loida Garcia-Febo; President-elect, Wanda Brown; Immediate Past President, James G. Neal; Treasurer, Susan Hildreth; Executive Director, Mary W. Ghikas; Executive Board members: Tamika Barnes, Trevor Dawes, Karen Downing, Ed Garcia, Maria Taesil Hudson McCauley, Andrew K. Pace, Lessa Kanani'opua Pelayo-Lozada, and Patricia "Patty" M. Wong; and Director of the Office of ALA Governance, JoAnne Kempf

The agenda (2018-2019 EBD #9.2.2) is attached.

On the recommendation of the Finance & Audit Committee, moved by Susan Hildreth the Executive Board

- **Voted** to forward the Preliminary FY20 Budget Proposal to the Budget Analysis and Review Committee (BARC) for further analysis and review. The Board report back on its analysis at the 2019 Annual Conference in Washington, DC.

Steering Committee on Organizational Effectiveness (SCOE)

Lessa Pelayo-Lozada. Chair of the SCOE provided a status report on the committee's activities.

- The timeline has been extended; by the end of April, SCOE will start working on a full integrated model. SCOE will meet in May to integrate models together, and in June, the model will be presented to all members. By the October board meeting, the Board will vote on a final model. If passed, it will be taken to Council in January for a first vote.
- The work of SCOE will wrap up by January, at which time an implementation team will take over.
- The Board had an open discussion about the current and aspirational role of the board.

Executive Director Search

Dan Hoppe, Human Resources Associate Executive Director, outlined the plan for the Executive Director search.

- Legal counsel attended the kickoff call of the search committee and talked about confidentiality and conflict of interest. The role, purpose of the search committee, and timeline was also discussed.
- A workshop will be held on April 23rd, which will include Isaacson Miller and Mary Ghikas talking about the role of the Executive Director within ALA.
- ALA has started advertising for the position, which is gaining traction.

- Isaacson Miller may attend the Annual Conference to talk to members.
- Final interviews are being set for October before the Fall Board Meeting. Interviews will start on Monday and there will be one candidate interviewed each day thereafter.
- Dan will follow up with Isaacson and Miller to discuss scheduling time to talk with board members, especially those coming off the board in June. He will send information about Isaacson and Miller's partner, Pam Pezzoli

The Board adjourned to go into Executive Session.