

**To:** ALA Executive Board

**Re:** Operating Agreement Work Group Update

**ACTION REQUESTED/INFORMATION/REPORT:** This report provides the Executive Board with an update on the activities of the Operating Agreement Work Group since it began its charge in August 2020 and a request to extend the Work Group.

**CONTACT PERSON:**

Maggie Farrell, [maggie.farrell@unlv.edu](mailto:maggie.farrell@unlv.edu), ALA Treasurer and Operating Agreement Work Group Co-Chair

Andrew Pace, [andrewkpace@gmail.com](mailto:andrewkpace@gmail.com), Operating Agreement Work Group Co-Chair

**DRAFT OF MOTION:** The Executive Board extends the Operating Agreement Work Group charge through ALA Annual Conference 2022.

**DATE:** June 17, 2021

**BACKGROUND:**

<https://operatingagreement.ala.org/>

The Operating Agreement Work Group was proposed during ALA Midwinter 2020 with a final charge and appointments in June 2020. The WG has met throughout the year and meeting materials are available on our ALA website.

The WG continues its examination of the current Operating Agreement including various sections of the policy. Executive Director Tracie Hall presented the Strategic Pivot Plan with a focus on how the Association might shift with new revenue streams. The WG is particularly struck with the goal to function in a more wholistic manner with strong collaboration and coordination across Divisions. With this in mind, the WG is continuing its work on revising the policy examining the interrelationships within ALA.

While the policy defines the relationship between ALA and the Divisions, the overhead rate is a significant factor in how the relationship is manifested. As much as the WG would like to focus solely on the relationship with the financial structure underpinning the relationship, finances naturally influence the relationship. With this conundrum, the WG is examining two possibilities:

- Tweak the current overhead formula including the inclusion of new revenue streams
- Eliminate the overhead rate and consolidate financial reporting with budgets tied to specific ALA units, including Divisions and Round Tables.

During the upcoming ALA PBA/BARC/Division Leadership meeting, a discussion regarding the Operating Agreement and Overhead Rate will assist the WG in their deliberations. In addition, WG members are encouraged to reach out to various divisions and groups to discuss the issues for additional feedback.

The complexity of examining the Division relationship, overhead rate, with other related issues such as the Roundtable relationship, Strategic Pivot Plan, and Forward Together necessitates additional time to thoroughly and thoughtfully consider new models. This will enable WG members to solicit feedback on a draft revision. Every WG member has agreed to continue to

serve ALA in this capacity should the Executive Board approve. And each member is committed to liaising with their associated appointment to communicate our work. While this work is complex and difficult, the WG members are excited about new ways our association can serve and engage members. WG members are looking forward to bringing forth recommendations this coming year.

**Operating Agreement Work Group members:**

|                        | Name                 | Home Institution  |
|------------------------|----------------------|---|
| Co-Chair               | Maggie Farrell       | UNLV  |
| Co-Chair & SCOE Rep    | Andrew Pace          | OCLC  |
| Division Member        | Clara Bohrer         | Retired Director, West Bloomfield Township Public Library |
| Division Member        | Diane Chen           | Stratford STEM Magnet School Library                      |
| Roundtable Member      | Sophia Sotilleo      | Lincoln University (PA)                                   |
| Membership Member      | Miranda Bennett      | University of South Carolina                              |
| Publishing Committee   | Christine Dulaney    | Library of Congress                                       |
| Member                 | Clara Harmon         | Calumet City Public Library (IL)                          |
| Executive Board Member | Wanda Brown          | ALA Past President  |
| BARC Chair             | Peter Hepburn        | College of the Canyons                                    |
| Division Staff         | Tammy Dillard Steels | YALSA Executive Director                                  |
| Division Staff         | Kara Malenfant       | ACRL Interim Executive Director                           |
| Division Staff         | Kerry Ward           | Core (previously LLAMA Executive Director)                |
| Roundtable Staff       | Lorelle Swader       | Associate Executive Director                              |
| Finance Staff          | Denise Moritz        | Interim CFO   |
| General Fund Staff     | Melissa Walling      | Director, Membership                                      |
| General Fund Staff     | Kathi Kromer         | Director, Washington Office                               |

**ALA Personnel Supporting/Contributing to the WG:**

Keith Brown  
 Marsha Burgess  
 Holly Robison

**ACTIONS:** Approve extending the charge and membership of the Operating Agreement Work Group through ALA Annual Conference, June 2022.

**Original Charge Approved June 2020, EBD #10.7.1:**

The ALA Executive Board is appointing a workgroup to evaluate, assess, and make recommendations to the ALA Operating Agreement that defines the relationship between ALA and Divisions. Specifically, the WG will examine how the existing Operating Agreement is fulfilling the mission and values of the association as well as the financial structure that supports the joint and individual goals of the Association and Divisions. In addition, the WG will examine the relationship between ALA and the Roundtables and will provide recommendations that guide that relationship as well. The Operating Agreement values unity, diversity, authority, autonomy, and collaboration. These values will guide the WG in its assessment and communication.