

AMERICAN LIBRARY ASSOCIATION Executive Board Meeting Minutes 2021 Virtual Spring Meeting

Session I: Friday, April 9, 2021

7:30 am-1:30 pm PT / 8:30 am-2:30 pm MT / 9:30 am-3:30 pm CT / 10:30 am-4:30 pm ET

President Julius C. Jefferson, Jr called the Spring Executive Board Session I to order at 9:30 am CT.

APPROVED, by CONSENT:

- Board Agenda Approval, EBD #9.14
- Midwinter Board Minutes, EBD #2.10

Executive Committee Update

President Jefferson provided the following updates:

- The committee met on April 6, 2021, and the majority of agenda items were forwarded onto the Board Agenda for the upcoming sessions
- The Board needs to have more discussion of financial metrics for the 5-Year Pivot Plan and Budget Objectives
- There was concern that not all Annual speakers are yet secured
- Integrate LibLearnX schedule with governance and will have a revised skeleton schedule
- Identified need to work more efficiently to bring forth resolutions in more efficient manner
- Discussed possible parliamentary alternates in the event that Eli Mina cannot travel for LibLearnX
- President and Executive Board Forum to be held virtually during LibLearnX

Operating Agreement Workgroup Update, EBD #10.9

Treasurer Maggie Farrell provided the following updates:

- Executive Board approved the addition of Co-Chair Andrew Pace, which has been extremely helpful
- Focused on relationships between Divisions and ALA, but governance is often touched upon, which is not the workgroup's purview but reflects the complex nature of ALA
- Three financial models discussed:
 - No overhead at all and how would that strengthen/weaken relationship
 - Focus overhead just on revenue drivers, including those in the pivot plan
 - Stay the current course with tweaks, perhaps articulating shared services distinctions.The group is not in favor of the third option
- Hope to better articulate shared services and value-added services
- Likely will not finish work by June, and there may be a request for extension at Annual Conference

Ms. McCauley asked if there are examples of the three models. Ms. Farrell noted there will be some future cost modelling with the Finance office, as there are no current models. Ms. Farrell noted that we are all one ALA, and the need to break down silos and reduce internal competition which will inform modeling.

Ms. Wong suggested that there should be a communication plan for this interim review time, as many divisions and units are nervous. President Jefferson agreed that a specific communications update needs to be articulated for Annual Conference.

Budget Analysis Review Committee (BARC) Finance and Audit (F&A) Joint Report, EBD #3.21

Peter Hepburn, BARC Chair provided the following highlights from the report:

- FY21 Financial Review:
 - Moved to quarterly reports
 - Q1: Units are cutting expenses, but revenues are still not up to budget. This is partly due to COVID, but BARC would encourage future budgeting to reflect revenues that better align with expenses
- Recommended that Interim CFO Denise Moritz have all units provide narrative update for budgets
- Provided directives to balance FY22 budget:
 - Avoid furloughs
 - Include a line item for a contingency budget
 - Examine financial projections for LibLearnX for a pragmatic forecast supported by data
 - Align expenditures with revenues, especially regarding Conference
- Some agenda items, such as FY22 goals and liaison reports, will completed later due to time constraints. This will also likely include re-establishing BARC liaisons to roundtables

Ms. Schneider noted the FY20 has financials through November 2020 and FY21 is also behind, meaning that the current estimates of income are not a reflection of real financial situations.

Budget Update

ALA Treasurer Maggie Farrell highlighted the following:

- This preliminary budget reflects a \$1.6 million deficit. The revised budget will be presented in June and the final budget in the autumn
- Endowment Trustees are proposing 6% payout, higher than the normal 3-5%. F&A is supportive of that
- Membership Dues Increase along with CPI at 1.4%
- Both the payout and dues increase are included in FY22 budget. If they are not approved by the Board, F&A will instruct Finance to reconfigure budget
- Critical to finalize FY20 budget for net asset balance projections for Annual Estimates of Income. Finance office is currently on track to meet the June audit deadline
- All invoices should be paid and up to date. Please reach out regarding any outstanding invoices
- During Annual Meeting, F&A will meet with auditors. Outgoing and incoming members will be present

FY2021 YTD Financial Results Executive Summary & Commentary, EBD #3.24-#3.24a

Interim CFO Denise Moritz provided the following updates:

- Report reflects only Q1 results, but Finance reviews daily
- Reports are lagging and some developments not reflected include:
 - Development achieved its contributed income goal by December 2020. This will be reflected in the Q2 results
 - Membership dues, YALSA and Core: deferred revenue must close in chronological order. When FY20 is closed, we will see those
 - Publishing revenue was behind budget by 11% but expecting to close that gap to 5-7%

- Midwinter Pace report:
 - As of January 21 report, Midwinter projecting 80% to budget on registration and 102% on exhibits/sponsorships.
 - 5,000 attendees budgeted, with 7,000+ actual attendees
- Membership: Currently analyzing where membership will land by end of FY21 and expecting to meet budget, even with conservative estimates. As a reminder, membership revenues were reduced by 28% for FY21 budget
- Monitoring expenses closely. With meeting and travel expenses low, there are currently underbudget
- General fund better than budget by \$271,000
- Meetings and expenses \$164,000 better than budget
- Resource attrition: frontloaded budget so that management can monitor closely. Through March, \$723,000 of \$1.2 million savings has been realized
- Divisions budgeted cost savings, and senior management met with each Division Executive Director to articulate that. All Executive Directors are onboard, and many are offering more than requested cost savings
- Added new schedule to executive summary which shows all loans and transfers with terms:
 - \$1.5 million endowment transfer with terms in both FY21 and FY22 with repayment by 2030
 - \$8 million line of credit, with \$3.5 million drawn. For now, will keep line at \$8 million
 - As of March, owe \$1.6 million for the financing of equipment for the move
 - \$4.2 million in PPP funding. We have applied and expect forgiveness.
 - EID: originally only received \$150,000, but received word we are eligible to apply for \$500,000 expanded funds
 - In debt for \$13 million total, with \$6.2 million forgiveness possible

Ms. Schneider requested a breakdown of the Midwinter registration types within the 7,000+ to provide context on the budget shortfall but a greater than planned attendance.

Ms. Farrell noted that the line of credit is due in June but that is renewed annually at a prime 2.6% rate.

Ms. Barnes asked if there were details on what Publishing is doing to close the budget gap. Ms. Mackay outlined some strategy, including some improvements in returns rate. In the second half of the year, FY21 was very unpredictable and a volatile first half especially was anticipated. It remains volatile, even with some libraries opening up, and we are seeing a pullback on budgets. Ms. Mackay noted that she can share a report specifically outlining strategies for closing the budget gap.

FY 2022 Preliminary Budget & Annual Estimates of Income, EBD #3.25

Ms. Moritz noted the following updates:

- The document reflects a first draft of FY22 budget, and there is still much work to do
- Goal is to build contingency fund for unexpected events
- Currently reflects a \$1.6 million deficit, which includes \$1 million PPP funding. This is still an improvement from where we were last year, which was at a deficit of \$6 million
- Planning for no furloughs in FY22
- Requires close monitoring of expenses, especially Annual and LibLearnX expenses and revenue alignment
- Included \$1.5 million endowment transfer with terms and capital expenditures
- FY22 endowment transfers suspended and will be reflected in the next budget draft

- Plans to operationalize the One ALA culture and will bring all divisions and units into that discussion

President Jefferson asked if the Board is ready to consider a recommendation from BARC and F&A on the preliminary budget or if more time is needed to review

Ms. Farrell noted that BARC makes the recommendation that the Executive Board approve the preliminary FY22 Budget as presented in EBD #3.25, with the following directives to ALA Staff:

- Bring forward a final balanced FY22 budget
- Build a contingency fund to manage unexpected events and include a budget line to reflect it
- Examine financial projections for LibLearnX and Annual 2022 for a pragmatic forecast and provide data supporting the assumptions
- Align expenditures with revenue projections

Ms. Schneider emphasized the Board members should closely review the conference services section, particularly as LibLearnX is forecasting the same gross revenue as Midwinter 2019 but with the expectation of lower registration. More information is needed on how that forecast will be achieved with a smaller footprint.

Mr. Garcia advised approving this motion after the endowment transfer rate of 6% is approved, as that is included in the budget. Ms. Farrell noted the dues increase is also included and not yet approved.

Mr. Neal clarified that some units are on two-year cycles, so sometimes expenditures exceed revenues and that should be considered when budgeting.

The motion was tabled.

Draft 5-Year Financial Plan FY22-26, EBD #3.26

Ms. Farrell noted that Pivot Plan will be included in budgeting for the next five years.

The report also includes a total ALA payroll, short term investment chart, and the reduced short term cash balance due to the strategic investments and deficits.

Ms. Moritz provided the following highlights from the report:

- New revenue lines included: contributed income and continuing education
- FY22 & FY23 will continue in the red, but as new revenue streams are established, plans to be in black by FY24 & FY25
- Assumptions:
 - Annual staff salary increase at 2%
 - Healthcare costs increase 7% annually
 - Inflation of 2% annually
 - We are at 54% payroll of revenue against the pure metric of 40%. This will hopefully be reduced over time.
 - Divisions are in a seesaw pattern, but negative numbers outweigh positive overall. While balance may not be possible every year, need better alignment overall.
 - In FY16, short term invest balance was \$14 million, but continuing as is, by FY26, will be negative \$1.5 million. Long-term sustainability is the ultimate goal.

Mr. Neal asked to look at net revenue for divisions and asked if roundtables could have a similar tab.

Ms. Wong noted that this document reflects current course of action, but this helps to identify areas for improvement and action.

Endowment Trustee Report, EBD #13.4

Pat Wand, Senior Endowment Trustee, provided the following highlights from the report:

- Trustee investment discussions continue to be driven by the economic situations that affects the market, outlined in the report.
- Market value at the end of December was \$60,747,152, which was an increase of over \$5 million of the market value on September 30.
- Book value of the American Library Association remains at \$15,870,000, which is a decrease due to the transfer with terms.
- Hired a minority-owned firm to manage investments and asked the firm to look for investment funds from women and minority owned investment groups. Two were identified: Ariel Investments with a rate of return for FY21 at 7% and Goldman Sachs GQ Partners International. Trustees chose the latter as the rate of return was 16%.
- For FY22, Trustees are recommending 6% payout rate to support the financial health of ALA during the pandemic, which is above the typical recommended rate of 3-5%. The portfolio has achieved a 6.5% rate of return, so this still falls below that rate. Trustees supported making this exception and asked F&A to endorse this rate and recommend approval to the EB. This would reflect a payout from the future fund to general operating support of \$816,301.
- Trustee activities:
 - Continue monitoring the investment market
 - Focus on environment, social, and governance issues (ESG) holdings. It is currently at 52% of our portfolio, which is down from 55.7% and due to the necessary rebalancing of the portfolio. Trustees will continue efforts to bring that back up
 - Continue to educate ourselves and our members. Trustees are close to finalizing an analysis of our fund management fees and the cost of maintaining the endowment. Trustees will create an FAQ on those costs as well
 - Finalized a glossary of investment terms, included as EBD #13.4a
 - Each Trustee has taken on the responsibility for monitoring a particular asset class
 - Two trustees will be rolling off this Spring, and this is an opportunity for members to consider serving as a trustee. There will be an announcement going out soon

Ms. Farrell moved that F&A supports and recommends approval to the Executive Board, the Endowment Trustee recommendation of a spending/payout rate of 6%, without precedent, in support of the FY22 budget, as presented in EBD #13.4.

Ms. Schneider asked for clarification on “without precedent.” Ms. Wand noted it means that this action will not set a precedent or change policy, that moving forward the 3-5% rate will be maintained.

Ms. Farrell noted that this allows for up to 6% but does not necessarily mean that will be fully spent in all units.

Voted to, APPROVE the Endowment Trustee recommendation of a spending/payout rate of 6%, without precedent, in support of the FY22 budget, as presented in EBD #13.4.

Membership Report, EBD #12.29

Melissa Walling, Director, Member Relations & Services, provided the following updates:

- Looked at membership counts from the last few years, and the pandemic accelerated some of the trends. Student membership increased while regular membership declined. Many of the plans moving forward are to increase membership.
- Focus on growth with a goal of 56,000 members by end of next year
- The Membership Committee is actively working on membership modelling:
 - Opt-in for lower dues rate
 - Extended grace period
 - Installment plan
- Remember Fund has raised \$2,000 since announcement on Tuesday to support members who are experiencing financial insecurity

Ms. Booker noted that she has some concerns regarding confidentiality when thinking about supporting other members. Perhaps a member could identify if they want membership for Round Table or Division, and that group could handle the membership, or a mentor could indicate that they wish to support specific Divisions or RT memberships.

Ms. Walling noted that a motion has been forwarded by F&A to recommend dues increase:

- The proposed increase is in line with the ongoing policy to increase dues along with Consumer Price index (CPI), which was 1.4% last year
- The document breaks down the dollar amount per member type, which is \$1-2 for each member
- New dues prices will go into effect September 1, 2021, for one year
- Reflects \$52,800 revenue and reflected in FY22 Budget
- New prices will take effect but will not be proactively announced

Mr. Garcia noted for us to be mindful that some members are still struggling with furloughs and other economic fallout from the pandemic.

Ms. Farrell noted that BARC and F&A discussed the increase, noting that incremental benefits now would be preferable to delaying, which would necessitate a sizable increase in the future.

Ms. Farrell moved that on the recommendation of BARC and F&A, the ALA Executive Board approve the proposed dues increase of 1.4%, as benchmarked to the CPI for 2020 from the Bureau of Labor Statistics and highlighted in EBD #10.6.

Ms. Wong noted that, given the publicity last year highlighting that dues were not increased in order to support members, perhaps we could pivot to publicize and emphasize how this increase will help the organization.

Voted to APPROVE the proposed dues increase of 1.4%, as benchmarked to the CPI for 2020 from the Bureau of Labor Statistics and highlighted in EBD #10.6.

Publishing Report, EBD #12.30

Mary Mackay, AED Publishing, provided the following highlights from the report:

- Regarding the earlier question regarding closing the revenue gap, she provided a full document, noting the following strategies:

- Book sales seem to be rebounding towards the end of Q2 and into Q3.
- Delivery of delayed books from our UK partner Facet, so backorders could be fulfilled and billed.
- Anticipated release of some key book titles, including RDA-related materials.
- Royalties starting to be earned on Sourcebooks projects.
- Revenue from the moving sale, currently around \$35,000 (offset some by higher fulfillment costs for lower revenue orders).
- Exceptionally high book returns in Q2 seem to be stabilizing in Q3 closer to the budgeted %.
- Payments for bulk sales for eLearning events due in Q3 and anticipated additional activity in Q4.
- RDA subscription renewals, highest March on record, and some new sales initiatives tied to the December 2020 release of the 3R project.
- The RDA Lab Series (eLearning) attracted strong registration.
- A planned subscription reactivation campaign in Booklist.
- Booklist and AL both have some developing custom content
- Higher allocations for revenue in the second half of the year, as the first half is anticipated to be more challenging due to the pandemic
- Losing in-person Annual Conference impacts Publishing significantly
- Significant changes to Publishing budget were made, including Neil Schumann goodwill write down
- There is high inventory at the fulfillment house, and on June 30th, ALA will move to a new vendor. ALA will attempt to keep inventory down and printing minimal copies moving forward.
- Moving sale has so far generated \$35,000 in revenue
- Seeing increased expenses that are not controllable, such as raise in postage, and working to balance between cutting activities and hurting sales
- Legacy publishing needs to continue to keep revenues up while also pivoting to digital strategies
- Cross-collaborations with other units has been beneficial, such as those with PPO, which has written book purchases into a grant, and Graphics, which is working with ALSC for licensing in the Spreadshirt giftshop
- Collaboration with Trade Source Books has garnered \$6,000 in advances and will earn royalties moving forward
- Receiving support from the Mellon grant for *Booklist*
- Trying to find sustainable, lower-priced material for *ALA Editions Neal Schumann*
- PLA collaboration on *Pivoting During the Pandemic* book. PLA is selling digital and Publishing print, reflecting \$10,000 in sales
- RDA has some critical books coming out that support 3R project. Books and eLearning are selling well. There is also a 5-year high in subscription renewals for RDA, which is due to excellent marketing work by Ramon Robinson.

Conference Services Report EBD #12.31

Robin Kear, Conference Committee Chair, and Earla Jones, Conference Services Director, provided the following updates:

Annual Conference:

- Speaker deadline to submit for Annual is today and Monday for other meetings and programs. After deadlines, the information will be reviewed and pushed live in conference scheduler
- Marketing:

- *Booklist* collaboration on promotional eblasts and ad in May 2021 issue
- American Booksellers Association (ABA): member discount for Library Marketplace Only category
- Registration numbers:
 - 2,196 total, which is 15% to budget and 24% to attendance goal
 - \$360 in carbon offsets
 - \$1,800 in donations toward 21st Century Fund
 - Exhibits at 89% to budget with \$267,000 total

Ms. Henry asked if it is usual not to have a full lineup of speakers at this time. Ms. Jones noted there is some delay due to the pandemic, but it is typical to confirm speakers into May. It can vary depending on the speaker, their book publishing dates, and public profile of speaker, etc.

Ms. Wong noted that there seems to be a decline in Library Champions and asked if there is a long-term strategy to get more on board. Ms. Jones noted Conference Services works with Development to pull in more.

FY22 Budget Assumptions:

- Hybrid Model for LibLearnX
 - 3,000 in person
 - 600 Virtual
 - Total: 3,600 attendees
- Various ways to reach financial goals and will monitor closely

Ms. Schneider noted that the forecasted gross revenue for LibLearnX is the same as Midwinter 2019, but the attendance projected is much less. Ms. Jones noted that LibLearnX does not include significant meeting costs, so the expenses will be reduced. There is also a higher registration and exhibitor fee.

Ms. Brown asked if there is any flexibility on hotel contracts regarding the 3,000 number. Ms. Jones noted that 3,000 is the conservative estimate, but we can expand if there are more registrants.

President Jefferson noted that with right programming and speakers, the event could attract more than 3,000. He also emphasized that the governance meetings schedule in alignment with LibLearnX has not been officially determined.

Ms. Jones noted that the association needs to move forward with securing LibLearnX locations for 2024-2026, and RFPs were sent and received. Conference Committee noted the following recommendations for LibLearnX (*indicates committee preference):

- 2024: Orlando (January 26-29)
- 2025: Anaheim or Phoenix*
- 2026: Washington, D.C. Metro Area* or Phoenix

Ms. Wong noted that in selecting location, we need to think about attracting new audiences and how location and affordability impact that.

The Board will consider these recommendations and make a decision soon.

Office for Diversity, Literacy and Outreach Services (ODLOS) Report EBD #12.32

Elizabeth Jean Brumfield, ODLOS Advisory Committee Chair, and Kristin Lahurd, ODLOS Interim Director, provided the following updates:

- EDI Assembly was created at 2020 Midwinter by the Executive Board. Three meetings have been held with more than 50 attendees participating in each:
 - First session: asked participants to outline what they wished as outcomes from the assembly, and many noted that they wanted collaboration and networking, making EDI lifelong learning, and to help build a culture within library systems.
 - Second session: breakout conversations about messaging and how it impacts the roles of libraries. Breakout topics included how Historically Black Colleges and Universities (HBCUs) are impacted, Intersectionality, Negative Messaging, Media Literacy, and Erasure of Native Americans regarding Voting
 - Third session: Prioritizing EDI amidst the pandemic. Breakout topics included Anti-Asian Violence, Cultural Practices around Collection Development, Staffing & Programming, and Services to Underrepresented Populations
 - Feedback has been positive
- Intellectual Freedom and Social Justice Working Group: Ms. Brunfield will sit on that group, which is beginning to meet.
- Successful Library Outreach Day, held in collaboration with Association for Rural and Small Libraries (ARSL) and Association of Bookmobile and Outreach Services (ABOS) - formerly National Bookmobile Day
 - Highlighted 313 bookmobiles
 - Social media posts reached more than 5,000 people, with 900 views of Instagram stories that day. Ms. Lahurd thanked Amber Hayes for her great vision on this.

Public Policy and Advocacy Office (PPA) Report, EBD #12.34

Joe Thompson, Chair of Committee on Legislation (COL), provided the following updates:

- 2021 very busy for PPA and COL, which meets monthly
- American Rescue Plan Act (ARPA):
 - Advocacy efforts resulted in a quarter of a billion dollars to IMLS, almost doubling the budget
 - Every state receiving at least \$2 million
 - \$7 billion to broadband support. PPA will provide comments to FCC as the new broadband program is developed
 - ALA will see the benefits of this, as this funding allows libraries to remain open and members to retain their job because of this funding support
 - Fills in gaps at state and local level, allowing libraries to keep professional development in their budgets
- New tools and resources developed for Members to engage and advocate
- Concerns:
 - ALA budget reductions and furloughs can impact advocacy efforts. This can send a poor message to decision makers in D.C. and reflect poorly on advocacy brand. Additionally, there is an increase in adverse legislation at the state and local level, and libraries need the ALA staff support to tackle those issues
 - COL is not always consulted on policy matters in resolutions. All members and leaders are encouraged to reach out to COL to consult on resolutions

Mr. Garcia asked Joe Thompson, Chair of COL if he thought that the PPA office had sufficient resources and staff, considering they were already down multiple positions, to effectively manage in-person advocacy events in 2022. Mr. Thompson answered he believed the PPA office needed additional staffing to be able to effectively manage their efforts.

Kathi Kromer, AED Washington Office, presented the following updates:

- Recent funding victories would not have been possible without investment budget
- PPA staff continues to face challenges, including furlough, remote work, and a unique legislative climate
- National Library Legislative Day will not be held in 2021. In lieu of National Library Legislative Day, PPA invited members from targeted jurisdictions to join PPA for Virtual Hill visits to advocate for federal funding for libraries and Build America's Library Act (BALA)
- BALA: 100 co-sponsors, but libraries not mentioned in President Biden's infrastructure plan. Members should continue to advocate for this once-in-a-lifetime opportunity
- Focus on economic recovery:
 - Opportunities for local libraries to expand services in workforce development
 - Workforce Innovation and Opportunity Act will be up for reauthorization, and PPA is gearing up for this
 - Two-pager available that supports job seekers and learners
 - Updating Advocacy landing page with resources and with links to three virtual stops on President Jefferson's Holding Space Tour that illustrate the roles of libraries in the workforce
 - PPA spending time on gathering and sharing information about the rollout of American Rescue Plan Act (ARPA). A website has been created and will be updated regularly
 - Partnered with AASL to provide briefing to chapter delegates about ARPA and created an advocacy toolkit for local advocacy efforts
 - Also provided a briefing to ALA Chapter leaders and legislative chairs
 - IMLS confirmed that money for states went out the door today
- Emergency Connectivity Fund Program is now in the hands of FCC, which will disburse funds to libraries and K-12 schools. PPA has been working with the E-rate Task Force to ensure libraries are aware of this funding and how to connect patrons without internet or devices at home. Much of the program is under review and will need the FCC to vote on this. With a 2-2 split on the FCC, PPA is not sure how everything will land.
- Webinar planned for state e-rate councilors: working with American Indian Library Association (AILA) and the Association of Tribal Archives Libraries and Museum.
- E-books are still a hot button issue. Maryland has passed a law, though not yet signed by the governor, that if e-books are licensed to the public, then they should be licensed to libraries at a reasonable rate. There is likely to be a similar bill in Rhode Island. The Panorama Project, supported by Overdrive, is doing lots of good work on these issues as well

Mr. Garcia asked for more feedback on how to better communicate to members regarding bringing forth resolutions that align with legislative priorities. He also asked what the outlook is for in-person advocacy efforts in 2022. Mr. Thompson recommended that there be some upfront training on the legislative agenda and how ALA participates in a coalition. Ms. Kromer noted that there is a strong chance in-person events will occur in 2022, though perhaps reduced. PPA will need to be strategic in developing live events.

The Executive Board moved into closed session.

Session II: Saturday, April 10, 2021

8:00 am-12:00 pm PT / 9:00 am-1:00 pm MT / 10:00 am-2:00 pm CT/ 11:00 am-3:00 pm ET

President Julius C. Jefferson, Jr called the Spring Executive Board Session II to order at 10:00 am CT.

Executive Director Report, EBD #12.35

Tracie Hall, ALA Executive Director, provided the following updates:

- Pivot Strategy Update
 - FY22 Budget features two new revenue streams: contributed incomes and continuing education (data and research will be added in FY23)
 - Overall goals for the organization are Increased Membership by 5% & Increased Revenue by 10% by end of FY26, but all units are tying their goals to these overarching goals
 - Increased organizational alignment:
 - De-silo knowledge and opportunities
 - Growth of coordination and collaboration
 - Three quality of life indicators: education, employment and healthcare access rely on information access and largely digital platforms, so ALA and LIS have primacy in the national conversation
 - ALA developed cross-functional teams to meet cross-functional goals. All staff will be a member of at least one team to increase communication, coordination, and impact
 - Continuing Education (CE):
 - For many modern associations, CE is a primary driver for members to join
 - Incentivize and optimize with bundling opportunities with membership
 - Plan to launch CE unit in FY22
 - Contributed Revenue:
 - First time funder pledged \$500,000 to ALA
 - In FY21 so far, \$3 million in unrestricted funds, and \$4 million altogether, which includes COVID relief grants
 - Opportunity to activate support for operations and mission, a primary need right now, as well as growing our endowment to 2-3 times the operating budget
 - Once some of the other change management work is completed (Forward Together, Operating Agreement, etc.), a next step would be to work with ALA Board and Staff to do an ALA program audit over the next two years
 - Performance Monitoring System will be established in tandem with Pivot Plan, and currently looking at Power BI to track metrics and key performance indicators

- ASGCLA transition: 90% of work has been absorbed by ODLOS or RUSA, and staff continues to work with member stakeholders to monitor that and will meet again during Annual
- ACRL Conference is next week and overperforming in registration
- AASL Conference will occur in the Fall

Ms. Schneider noted that in the pivot plan, contributed revenue is the largest portion of the revenue stream growth, with some from CE. She asked if Data and Research stream will be included. Ms. Hall noted that unit will be launched in FY23 and housed in the Center for the Future of Libraries, and will eventually become a viable revenue stream.

Mr. Garcia asked for more detail on the connection between cross functional teams and how the intersects with the value proposition of ALA Membership. Ms. Hall noted that multiple units are talking and identifying similar projects and work. Several units can look at membership work together and coordinate strategies. Mr. Garcia also noted the teams should focus on advocacy. Ms. Hall noted that advocacy is embedded in the work but will continue to reassess that. (Update: After conversation with PPA staff and AED Kathi Kromer, "Advocacy" will now be one of the 21 cross-functional teams)

Ms. Booker emphasized that the work of ASGCLA should not be lost and recommended that a Board liaison be assigned to the former group until the transition of all work is complete. President Jefferson noted that will be taken into consideration.

Mr. Garcia noted that hiring a Development Director and other Development team members should be a priority for FY23.

President Jefferson asked what role senior staff had in developing the program audit, performance monitoring, and more broadly, the pivot strategy. Ms. Hall noted that Associate Executive Directors were each tasked with designing their own section, as well as those staff reporting to them and overseeing programs. Stakeholders were also consulted in the design.

Development Office Report, EBD #6.1

Anne Manly, Assistant Director of Corporate and Foundation Relations, noted that many of the Development updates were discussed in the Executive Director's Report, but provided the following highlights:

- Since Ms. Hall has come on board, there has been a new emphasis on general operations support to build our mission, and efforts have been very successful with three significant grants secured and a fourth pending
- RFP is being finalized for a comprehensive campaign to support general operations fund and endowment fund. There is a great opportunity to leverage individual giving, as we can see with the Remember Fund.
- RFP includes:
 - Inventory of assets
 - Benchmarking parallel organization
 - Opportunities with the public
 - Codification of the steps
 - Support in the first quarter of the launch
- Hope to have Development Director or Director of Strategic Advancement in place to launch the strategy

Ms. McCauley asked if the RFP will include an assessment of how much could be raised by a capital campaign. Ms. Hall noted that starting target is \$20-30 million over 5-6 years.

Philanthropy Advisory Group, EBD #10.4

Karlene Jennings, Chair, Joyce Garczynski, Vice Chair, & Mary Hastler, Secretary, presented a revision to ALA's Gift Policy, noting the following:

- Many organizations are struggling with such a policy. PAG can make recommendations, but the association will need to make a firm decision on the policy.
- Purpose/Scope: PAG recommends some adjustment
- Decision maker: need to designate committee, team, or Board
- Monitoring: revised section to note that it should be reviewed periodically
- Legal counsel should look at any agreement or MOU on behalf of ALA
- Conflicts of Interest need to be acknowledged
- Gift Acceptance Criteria should consider the following:
 - Values of donor aligning with ALA
 - Primary benefit consistency: various forms of payment can come with additional costs
 - Will the gift encourage future giving? Sometimes a donation or donor cannot alienate other giving
 - Ensure that gift acceptance does not mean ALA endorses what the donor endorses
 - All aspects of gift acceptance should be written and clearly indicated to donors
- Gift Return Policy:
 - May need to return if a gift is misdirected or ALA is unable to comply with conditions or intent of the gift
 - Legal Counsel should review all gift returns
- Declining a gift:
 - Any gift that is associated with illegal activity or discriminatory use violates ALA policy
 - Gift restrictions that present a strong likelihood that a change in circumstance would render it difficult or impossible to meet conditions
- Acceptable gifts: Cash, checks, credit cards, and securities
- Naming Rights: Legal counsel needs to review to ensure consistency
- Recommend creation of Gift Acceptance Committee
- Need overall improvement in documentation of donations

President Jefferson noted that the Board will discuss and vote on the policy at the next Board meeting.

Code of Conduct Working Group, EBD #10.8

Karen Schneider, Board Member and Working Group Member, provided the following updates:

- There was no general, or overarching online code of conduct, and many units developed their own. This working group will consolidate and draft one code of conduct, which is instrumental to the "One ALA" work
- The group should have a policy ready for vote by Annual Conference
- There is some draft language to reach out to member groups for their feedback on the current draft code

Ms. Wong asked if there is any information on implementation. Ms. Schneider noted that there has been communication to Divisions already, but she will also check her notes to ensure that a path to implementation is outlined prior to the request for approval.

President Jefferson suggested that this topic be added as a standing Board agenda item.

Communication Marketing Office Update, EBD #12.36

Stephanie Hlywak, Communication Marketing Office (CMO) Director, provided the following updates:

- National Library Week 2021: Theme of “Welcome to Your Library” emphasized ways to access library even when closed.
 - Feedback was positive
 - Natalie Portman was Honorary Chair, and she posted to Instagram Stories
 - Oprah’s Book Club also posted about National Library Workers Day
 - Dan Rather featured in event on Take Action for Libraries Day
 - Social Media: 1.5 million impressions and 25,000 engagements, but there are still two days of data to collect
 - #NationalLibraryWeek was used 6,500 times on Twitter and #MyLibraryIs 1,000 times
 - Earned Media:
 - AP wrote an article on release of State of America’s Libraries Report and Top Ten Challenged and Banned Book list.
 - *Chicago Tribune* spoke with Deborah Caldwell-Stone, which was picked up by Yahoo
 - *Library Journal* interviewed President Jefferson
 - *School Library Journal* had a piece about mobile library response in COVID
 - *EFE* ran a piece in Spanish
 - *The Guardian* picked up a story that went to Australian and Canadian outlets
 - CBS Radio Network and AP News featured spots picked up by Westwood, the national facing arm of Cumulus Media, a network with 250 million listeners and 7,300 affiliates
 - Recorded audio public services announcements
- CMO’s PR Forum will be a Social Media Masterclass with Oprah’s Book Club.
- I Love Libraries in the first quarter had 150,000 page views and had PSAs with Alyson Hannigan, Ethan Hawke, and Mike Mills
- Collaborated with ALA Graphics for the launch of new licensed products
- Media Relations:
 - Midwinter I Love My Librarian awards, Jill Biden session, and Youth Media Awards covered by AP
 - Media requests regarding Dr. Seuss book publication decision
 - Overall: 10,000 articles or mentions reflecting 11 billion in circulation reach and \$15.2 million in publicity value
 - Six notable press releases regarding Board or Governance
- Working on an onboarding campaign for new members that will be include incremental messaging
- Partnered with Conference Services on a retargeting media campaign
- Supporting President Jefferson’s goal to explore a program with Membership and/or Development to engage library using and loving public in ALA’s essential work
- CMO will provide a program on library marketing and outreach during ALA Connect Live

Ms. Farrell asked for more detail on working with Divisions on coordinating communications, especially given that is part of cross functional teams. Ms. Hlywak noted that one of the outcomes identified for the team is to coordinate communications and frameworks/limits on communications, particularly emails.

Ms. Wong emphasized the importance of collaborating with PPA so that there is one entry point for communications.

Mr. Garcia asked if CMO is creating messaging on the sunseting of sympa lists and moving to Connect. Ms. Hlywak noted that the majority of messaging and work lives with Membership Services, specifically David Sheffieck.

Information Technology Report, EBD #12.37

Gina Seymour, Chair of ITAC, and Sherri Vanyek, Director Information Technology, provided the following highlights and comments from the report:

- IT Goals for 2021
 - Staff of 7 is focused on continuing operations, with project execution as time allows
 - Challenging to decrease technology debt given resources and staff constraints, and IT has requested additional investment dollars in FY22 to hire a Chief Technology Officer (CIO) and fund project work
 - Searching for System Software Engineer to support project execution
 - These resources are needed to meet major association goals:
 - Shibboleth single-sign on software is upgraded and Caching software configured
 - https working in ala.org website development environment. Testing phase is next, and estimate for completion is in May 2021
 - Monitor revenue and membership goals though the use of business intelligence dashboards. A number of dashboards have been developed in collaboration with Membership Services in Power BI. Next step is to roll out across the organization, with goal to finish by end of FY21
 - Assist with implementation and integration of CE Learning Management System and e-Commerce system via a cross functional team:
 - Dan Freeman will head the CE Unit
 - Selected a vendor, Web Courseworks
 - Roll out in June 2021
 - Work with new fulfillment vendor to integrate with e-commerce system
 - New vendor has been selected and contract is currently being negotiated
 - Rollout goal for May or June 2021
 - Improve Member Communications through technology updates
 - Migrate the blog to cloud
 - Migrate sympa to ALA Connect
 - Complete Informz email marketing account merger with completion in Summer and Fall 2021
- Goals for FY22:
 - Upgrade association management system
 - Clean up Membership Database
 - Work with revenue generating units to identify new products and services

- Monitor revenue and membership goals
- Adopt a Datacenter as a service design model
- Move the rest of technology to the cloud
- Hire a website strategy consultant to assess current web content management services

Ms. Seymour, on behalf of the ITAC, provided the following comments:

- Expressed confidence and support of Ms. Vanyek's leadership and IT staff under challenging conditions
- ALA's staff is only 7, which reflects a decrease seen over a period due to open positions not being filled, hiring freezes, and furloughs on existing staff. This reflects very low staff levels for an organization of ALA's size and potential cause for concern.

Ms. Farrell asked that if there was not enough time to move items to cloud while the headquarters move was delayed, what caused that cloud migration delay. Ms. Vanyek noted that IT staff time was devoted to getting a number of other technology pieces in place for the move – a new VOIP telephone system, technology for the new space to ensure a small footprint, 140 servers to migrate (which had issues and ultimately required a new system from HP), a badge card system at the new site, and new AV equipment.

Ms. Schneider noted there used to be a performance dashboard that included uptime for IT, and could the Board see that again? Also, she noted that the e-commerce store is targeted for an upgrade in May when there is a push for Annual registration. Ms. Vanyek noted that with the level of work and reduced staff in the past months, the performance dashboards have fallen behind. They can be provided, but it will take some time to get back on track. Regarding the upgrade in May, the current fulfillment center will no longer be available on July 1. To meet the deadline for bringing on the new vendor online, an upgrade is necessary in May so that testing can occur in June.

Mr. Garcia asked if IT is working with CMO to message around the planned outages. Ms. Vanyek noted that for upcoming transitions, Mary Mackay is leading communications for the e-commerce transitions and Dan Freeman for the CE platform. When it is time to inform members, involving CMO would be beneficial.

Ms. Farrell noted that a benefit of the new space includes improvements in IT that would save money on infrastructure improvements. Ms. Vanyek noted that infrastructure improvements have been installed. There are some issues with the VPN, so ALA is still using Citrix. That should be ready to go soon. The IT investment for infrastructure did come in underbudget.

The Executive Board moved into closed session.

Session III: Sunday, April 11, 2021

7:30-11:00 am PT / 8:30 am-12:00 pm MT / 9:30 am-1:00 pm CT / 10:30 am-2:00 pm ET

President Julius C. Jefferson, Jr called the Spring Executive Board Session II to order at 9:30 am CT.

APPROVED, by **CONSENT**:

- Board Agenda, EBD #9.14

- President's Report, EBD #7.4
- President-elect's Report, EBD #7.5
- Vote Tally and Board Action, EBD #1.2

FY2022 Preliminary Budget, EBD #3.25

Ms. Farrell noted, as discussed during previous agenda items, BARC/F&A are presenting a draft motion for approval of the preliminary budget with directives to ALA staff.

Ms. Farrell moved that on the recommendation of BARC and F&A, the ALA Executive Board approves the preliminary budget as presented in EBD #3.25, with the following directives to ALA staff:

- Bring forward a final balanced FY22 budget
- Build a contingency fund to manage unexpected events and include a budget line to reflect it
- Examine final projections for LibLearnX and Annual 2022 for pragmatic forecast and provide data supporting the assumptions
- Align financial reality with revenue projections

Ms. Farrell noted that that some divisions are operating on a two-year budget, which will be considered regarding the final directive about aligning financial reality with revenue projections.

Mr. Neal noted that for the FY22 Budget for PLA reflects at 41% decrease in projections for the Portland conference from the Nashville conference. He moved to amend the motion to ask PLA to provide more details on their conference revenues. President Jefferson called for objections to the amendment and there were none.

Ms. Schneider again emphasized again that the gross revenue for LibLearnX 2022 is the same as Midwinter 2019 but with half the anticipated attendance. This would mean that fees would need to be double for the gross revenue to be the same. President Jefferson noted that Ms. Jones earlier shared that revenue is based on decreased expenses and increased fees, but this would not affect gross revenue. Ms. Wong noted that the directive to examine LibLearnX was meant to address this issue.

APPROVED the preliminary budget as presented in EBD #3.25, with the following directives to ALA staff:

- Bring forward a final balanced FY22 budget
- Build a contingency fund to manage unexpected events and include a budget line to reflect it
- Examine final projections for LibLearnX and Annual 2022 for pragmatic forecast and provide data supporting the assumptions
- Align financial reality with revenue projections
- Provide more financial details on the planned PLA conference revenues

Executive Board Liaison Updates

Mr. Neal noted that Ms. Hall presented the Pivot Plan to the PLA Board. Some discussion of difficult issues arose, mostly from before Ms. Hall's tenure, but she did apologize for ALA's handling of past issues. He noted that the apology created a great deal of good will from the PLA Board for the acknowledgement and commitment to efforts to keep them from occurring again. He thanked Ms. Hall for this.

Ms. Schneider thanked and commended the Membership Committee, Code of Conduct Working Group, and Committee on Research and Statistics for their good work.

Ms. Farrell noted that ACRL staff and members are excited for the Pivot Plan but also worried about furloughs and budget reductions. The Board should bear this in mind when crafting the FY22 budget. The ACRL virtual conference is this week and going well, but she reminded the Board there are many unknown factors that make it difficult to predict where a division will end up financially.

There continues to be concerns about Finance office operations. Those have been addressed in detail, and accounting is now caught up on invoices. The Board should continue to monitor Finance operations. She also noted that concerning the Operating Agreement Workgroup, it has been noted there is a need for more communication. She and Andrew Pace, the co-chair on the group, have noted that.

The Executive Board moved into the ALA-APA Board of Directors session.