AMERICAN LIBRARY ASSOCIATION

Executive Board Meeting Minutes

**2020 Virtual Executive Board Meeting**

**Session I: Tuesday, June 9 at 12:00 PM – 4:00 PM CT**

The Board convened at 12:00 pm CT on Tuesday, June 9, 2020 with President Wanda Brown presiding.

***Procedural/Consent Items***

**By consent**, the Board accepted the following items:

* Virtual Executive Board Agenda *EBD #9.13.2*
* Spring Board Meeting Minutes *EBD #2.10*
* International Report *EBD #12.67*
* Center for the Future of Libraries *EBD #12.68*

***Executive Committee Report***

ALA President Wanda Brown reported that most agenda items discussed during the Executive Committee will be covered later by Tracie Hall, in the State of the Association Report, Mary Ghikas in the Real Estate and Move report, and Maggie Farrell in the Treasurer’s Report. Ms. Brown also noted that ALA has invited Stacy Abrams to speak for the President’s Program at the virtual event.

***State of the Association Update - Executive Director Report EBD #12.69 & Board Review of New Contract Protocol EBD #12.42***

Tracie Hall, ALA Executive Director, referred the Board to the report for detailed information but noted the following:

* Ms. Hall acknowledged the current state of the country facing the pandemic and the social justice and anti-racist uprising. She recognized George Floyd, Breonna Taylor, and Ahmaud Arbery as the latest in a long line of people who have lost their lives through racialized violence. She also asked for a moment of silence to honor those named and unnamed individuals.
* ALA and the Board must use its leadership in anti-racist efforts, and ALA must start by cleaning its own house. Ms. Hall emphasized her commitment to this work.
* Ms. Hall is working with Interim ODLOS Director, Kristin Lahurd to work toward deployment and 100% staff participation in anti-racist and/or EDI training.
* Two searches will open in the next few weeks, one for a permanent ODLOS Director and for ACRL Executive Director.
* The New Business Development Group will have two focuses: one on internal capacity to absorb and support new business and another for external resources that include people who exemplify excellence in their field, such as Charles Adler of Kickstarter, who has not yet confirmed.
* The Virtual Event planning is being finalized. Registration is tracking in line with expectations, but Ms. Hall asked for the Board’s help in getting the word out. ALA is hearing from people who are furloughed, laid off, or facing reduction in hours that they are grateful to attend for free. This is also an opportunity for those who have not been able to travel to now attend. The attendance goal is 5,000-10,000. We are on track for 5,000 but would love to get in double digits.

Ms. Hall emphasized her belief in the association and its potential for revitalization. As an Executive Board, the work is not done.

Ms. Hall also presented a proposed Board Review of New Contracts Policy in an effort to operationalize the contracting process and increase transparency. For contracts over $100,000 and/or new contracts of a significant amount, the Board will review. She asked the Board to review the proposal and provide feedback.

Mr. Garcia recommended increasing the threshold for Board review, perhaps to $500,000. Ms. Farrell noted that feedback from members indicates that the Board needs to be more involved, and she appreciates the efforts at transparency. She noted that $100,000 seems appropriate for review, but that the final decision should rest with Ms. Hall. Ms. Schneider agreed that the threshold may be too low, and the information could be provided via report afterwards.

Ms. Hall will make changes to the document and report at the next meeting.

***Real Estate and Move Update***

Mary Ghikas, ALA Deputy Executive Director, provided an update:

* The official move dates are the week of June 15 and June 22 with a staggered schedule.
* Social distancing measures are in place, as well as a staggered schedule for a return to work.
* Everything that could delay the move, seems to have gone wrong: pandemic, social uprisings, and union issues.
* Archival materials will be stored with movers until archives at University of Illinois are opened again.

**Public Policy and Advocacy (PPA) - EBD #12.58**

Kathi Kromer**,** Associate Executive Director, Washington Office, provided the following updates:

* Appropriations:
* PPA expects that regular markups will be held the weeks of July 6 & 13 and be on the floor in the following two weeks. ALA hopes for level funding, as libraries are in the same bundle as DHS and CDC. Given COVID, it is not likely we will see an increase.
* There is talk of a second COVID relief package, but there is not currently an appetite for this in the Senate. If Congress does act, it will likely be before the August recess and not as large as the first package. ALA will work to ensure that library funding is included.
* There is interest in both chambers for legislation to help improve home internet access. ALA has signed on to some of that legislation and is working to ensure that libraries are included. It is likely that there will be some version of improved broadband access.
* There has been a series of hearings on the ability of K-12 schools to reopen, which will affect school libraries.
* In person census activities have paused due to the pandemic, with a pivot to online activity. Some field operations have resumed, and the target date for resumption of door-to-door census operations is August 11. Residents have until October 31 to respond. 60.3% of households have responded.
* The PPA office is working with the Rhode Island Library Association and Representative Cicilline, who sit on the House Judiciary Committee and Chairs the Subcommittee on Antitrust, Commercial, Administrative Law. ALA is awaiting the subcommittee’s report on the Tech sector, and there will likely be a section on e-books. The report is delayed due to the pandemic.
* PPA office is monitoring the lawsuit by the American Association of Publishers against the Internet Archive. Please contact Ms. Kromer or Alan Inouye with any questions.
* The National Network is up and running this year. The network is an effort to help local and state chapters cement relationships with their representatives.
* National Library Legislative Day was cancelled but ALA hosted a virtual event:
	+ Feedback was strong that if it was not about COVID, members did not want to hear about it.
	+ Shorter webinars saw greater participation. Chapter representative involvement was also an asset, and it was available beyond ALA members.
	+ Good engagement via daily videos from Ms. Hall.
* Emily Wagner and Megan Ortegon will be leaving ALA this month. Ms. Kromer thanked them for their hard work and dedication.

***Membership Report - EBD #12.59***

Melissa Walling, Director, Member Relations & Services, provided the following highlights from the report:

* Ms. Walling noted that in her first year at ALA, she has focused on tightening the membership renewal process because it is easier to retain current members rather than secure new ones.
* There is a new function for active Connect users that automates a message regarding upcoming membership expiration.
* ALA Connect Live programming launched this spring. There was a 75% increase in registration from April to May.
* The Membership Office activated members-only professional development programs in May and partnered with the Publishing Department to offer two self-directed courses for members, one on mindfulness and one on fake news. The membership model research indicated that there could be an upgrade model that includes continuing education course bundles such as these.
* The office is working to elevate membership value for organizational members. While advocacy has always been a big part of that value, there are few other “sticky” or tangible benefits. ALA is looking at providing professional development bundles and offering virtual event recordings.
* A recruitment campaign launched featuring ALA’s new Executive Director.
* At the previous meeting, Ms. Walling shared a timeline for the new membership model. That timeline has been delayed after work that emerged for the Membership Committee due to COVID. The membership model work will continue, and the current committee chair was reappointed.

Ms. Schneider asked for clarification regarding the statement in the report about member renewals and COVID. Ms. Walling noted that there was some uncertainty about actively pursuing renewals during COVID, but messaging was ultimately modified to feature flexible options such as non-salaried rates, extended grace period, and removal of the minimum threshold on installment payments. Direct membership renewal outreach has been on hold since March because ALA is not in a place organizationally where it can actively complete collections. The Membership Office hopes to catch up soon.

Ms. Farrell asked how Divisions and Round Table contribute to the membership renewal process. Ms. Walling noted that her department is working to inventory Roundtables, which do not proactively reach out for renewals. Many Divisions do, and Membership works with divisions on the messaging and timing.

Ms. Hall noted that the revenue generating units (Membership, Conference, and Publishing) and Denise Moritz will be meeting as a Revenue Stream Generating Workgroup.

Ms. Wong requested an analysis of long-term members and what keeps them engaged.

***Publishing Report - EBD #12.60***

Mary Mackay, Associate Executive Director, Publishing, provided the following report:

* Publishing was on target to have a solid sales year for FY20.
* Govspend website indicates that for March and April, all sectors had challenging months.
* Projections indicate that ALA Publishing will be off target for FY20 but not as bleak as we think.
* January is not yet closed, but Publishing has pulled together some revenue numbers:
	+ At this time, Publishing has 29% revenue left to earn with 25% of FY remaining.
	+ Editions was 10% under, but at the end of January it was 10% ahead.
	+ Product revenues are particularly challenged as people are not buying books and posters.
	+ Booklist has done a great job in pivoting to digital ad sales, holding at 95% of budget at 3.5 million.
	+ *American Libraries* is affected by the impact on Joblist website and currently 25% under budget, with a projected $100,000 under budget for the year.
	+ Resource Description and Access (RDA) production is running 10% under budget.
	+ E-learning resources have closed their budget gap as RDA related products and been nimble in developing e-learning resources. They should meet their year-end goal.
	+ Graphics has seen 50% shortfall in sales but is hoping to see some turnaround in licensing and its spreadshirts.com store.

***Communication Marketing Office (CMO) Report - EBD #12.65***

Stephanie Hlywak, CMO Director, provided the following report:

* Communications must be reconsidered broadly given the current environment. Ms. Hlywak appreciates the many conversations on how to accomplish this.
* In April, there was concerns on how/if we celebrate National Library Week. Internally, ALA made a quick pivot from “Find Your Place at the Library” to “Find Your Library at Your Place” to emphasize that libraries may be closed but they continue to serve communities.
* Earned media is up 50% over last year, which is great considering that COVID coverage is so overwhelming.
* CMO had a small reorganization to better equip the team to lead in web strategy and social media:
	+ Relaunched ilovelibraries.org, which is three times year-over-year in page views.
	+ Content and digital strategy is important in moving the organization ahead.
	+ There is now team a member who thinks holistically about the ALA website and creating content for programs and initiatives
* Libraries Transform was approved for another year, and ALA will have to reconsider the message on that initiative in the current environment. The Libraries Transform Book Pick is coming back in partnership with Overdrive.
* September is Library Card sign up month, and that initiative will also need to be reassessed.

**Session II: Saturday, June 13 at 10:00 AM – 2:00 PM CT**

The Board convened at 10:00 am on Saturday, June 13, 2020 with President Wanda Brown presiding.

***Procedural/Consent Items***

**By consent**, the Board accepted the following items:

* President’s Report *EBD #7.6*
* President-elect’s Report *EBD #7.7*
* Board Action & Vote Tally *EBD #1.4*

**Treasurer Update - FY 2020 YTD Financial Results Executive Summary EBD #3.39 & FY 2021 Preliminary Budget and Annual Estimates of Income EBD #3.40**

Maggie Farrell, ALA Treasurer, provided the following updates:

**FY 2021 Preliminary Budget and Annual Estimates of Income**

* F&A and BARC met yesterday in a joint meeting, and a draft report from that meeting is being reviewed by the Finance Office. The F&A committee will meet one more time to consider Endowment Trustee applicants following the Trustees’ meeting on June 17. The selected candidates will be presented to the Board during Session III on June 30.
* Confidential discussions regarding Finance Office operations and outsourcing will be held later during closed session.
* EBD #3.39 reflects FY20 YTD results at the end of January 2020, which are the same reports reviewed at the Spring Board Meeting. F&A and BARC are very concerned about delay in current information, especially as accurate data is needed at this time to plan for the remainder of FY20 and FY21.

Ms. Farrell directed the Board’s attention to EBD #3.39a, noting that the Finance Department pulled out its commentary into a narrative form. She asked Denise Moritz, Interim CFO, to report on the current and next year’s budget. Ms. Moritz provided the following updates:

* Given the information for FY20 is the same as that presented in the spring, Ms. Moritz noted that she will highlight some important factors from that report and supplement with what is currently known:
	+ As of January 31, total ALA is below budget by $79,000.
	+ Contribution to the general fund has a $806,000 shortfall. The three major revenue streams - publishing, conference, and membership - have been decreasing for years and continue to decline.
	+ Publishing reflects a $226,000 shortfall.
	+ Conference reflects a $518,000 shortfall.
	+ Membership reflect a $97,000 shortfall.
	+ COVID-19 has resulted in a further decline in publishing, product sales, advertisement, and annual conference related revenue.
	+ Conference Services anticipated a $500,000 shortfall for Midwinter and that currently holds.
	+ Dues anticipated a $200,000 shortfall, but now it is $450,000 due to the pandemic impact.
	+ There is a general shortfall across all other revenue streams, totaling $100,000.

There is a shortage of revenue and increase in expenses:

* General Admin expenses are $845,000 overbudget, in part due to a real estate commission of $275,000 and expenses related to the old Headquarters building of $253,000. These numbers are as of January, and we anticipate those to continue.
* The FY20 budget was built on the premise that ALA would be moved out by December 1. ALA is still not entirely moved out of the old building due to shelter-in-place, protests, and union action.
* Legal fees were $107,000, mostly related to the building sale.
* There are extra interest expenses from borrowing and costs related to Accounting outsourcing.

There was a planned deficit of 2.5 million, part of which was intended for strategic investments, but FY20 will now end with a 4 million deficit. Ms. Moritz noted that liquidity is precarious, and that it is needed to continue strategic investment. She noted that strategic investment continues, but there has been some pullback. In particular, there has been some pullback in the IT investment plan. Advocacy investments has a lot value and continues. Development investments have been underbudget due to staff attrition.

Ms. Henry asked how that deficit is being addressed. Ms. Moritz noted that ALA filed for an 8.3 million insurance claim after cancellation of annual and expects to receive about 75%. There is a new initiative for combining three revenue streams through bundling and organizational members, as well as increased attention to contributed revenue and continuing education. ALA is using FY20 as the pivot year to turn three revenue streams into five and diversify income.

Mr. Garcia asked if there is a way to mitigate property expenses for the old headquarters. Ms. Moritz noted that ALA asked for rent abatement, but the landlord said yes on the condition that ALA sign a 10-year lease. Ms. Moritz will have a conversation with insurance agent about recovery of some funds. Mr. Garcia also suggested pursuing any possible legal recourses for leniency on rent due to the pandemic.

Ms. Schneider noted the Board might need to re-examine the investment budget. She also asked if the real estate commission was unknown. Ms. Moritz agreed that there were a number of expenses that should have been included in the budget, but much information was confidential due to personnel concerns.

**FY21 Preliminary Budget**

Ms. Farrell outlined the timeline for budget approval:

* After Midwinter: Executive Director & CFO direct all units to plan budget.
* April: BARC and F&A reviewed the preliminary budget and identify issues. The Board reviews the second iteration of budget.
* June: Preliminary Budget presented.
* October: Final Budget approved.
* This year, an additional step was established by BARC and F&A to hold an additional September meeting to review budget status for more confidence in the October final budget.

The action today is to review and approve the Preliminary Budget and Annual Estimates of Income.

Ms. Farrell asked Ms. Hall to discuss plans for the next two fiscal years, given that they will likely be pivotal years in terms of budget.

Ms. Hall reiterated that the next two years need to be pivotal and discussed the following plans:

* ALA is overly reliant on revenue streams that are faltering, not just at ALA but everywhere.
* It is highly unusual for a 501c3 to earn so much of its revenue, which is admirable but is not sustainable.
* ALA will need to diversify revenue streams. There will be a two-year pivot period for a New Business Development plan focusing on continuing education and contributed revenue, followed by a three-year period of business implementation.
* Ms. Hall is in conversations with Charles Adler of Kickstarter, who agreed to steer a New Business Development Group.
* FY21 budget will focus on cost containment:
* Furlough days will be implemented in an effort to control layoffs. A study of twenty years of staffing history reflected that current staffing levels are where we need to be.
* Increased line of credit.
* Request for endowment funds.

Ms. Moritz directed the Board to EBD #3.40 and provided the following updates:

* After submissions from budget managers, there was a 6.5 million deficit presented to management. Management reviewed the budget and reduced the deficit to 1.2 million.
* The impact of COVID-19 then resulted in a 4.5 million deficit. There was a significant decrease in revenue lines, particularly in dues, which dropped 30% or 1.5 million.
* The following strategies have been identified to reduce the deficit:
	+ Max out furlough days with one week in FY20 and five weeks in FY21.
	+ PPP funding was received at 4.3 million, with 3 million allocated for FY20 and 1.2 million converted to a low interest loan and favorable terms with the option to extend from two to five years.
	+ Applied for 2 million in EID loan funds and anticipated receiving 1.5 million. $150,000 was actually received, which leaves ALA with another 1.3 million shortfall.
	+ $600,000 increase in line of credit, which comes with an expense.
	+ Will request a 3 million loan from the endowment for FY21 and FY22. This is a last resort, as it comes with opportunity costs, but ALA is facing unprecedented challenges.
	+ After these strategies are applied, the budget will have a $500,000 surplus. Staff will revisit this budget in hopes of increasing surplus to 1 million and to cover the 1.3 million shortfall from the EID.
* SBA requires that anyone who receives PPP funding over 2 million should be prepared for an IRS audit. ALA will need to prepare documentation that ALA has done due diligence in search for liquidity and cost reductions.
* Ms. Moritz also noted that in regard to EBD #3.40, there was some concern about conference services and finances for Midwinter. If a live meeting is held, the following are anticipated finances:
* Midwinter was budgeted at a $731,000 loss. The general fund is subsidizing Midwinter, and ALA should consider if this continues.
* Before overhead, Midwinter is already facing a loss of $233,000.

Mr. Dawes asked if ALA is maxed out on its line of credit. Ms. Moritz replied that ALA is not yet there. As of May 31, ALA had a 1.5 million balance and our line of credit available is 4.5 million. This week, we took another 2 million, so we are getting close. ALA may need to request an increase. Ms. Moritz is reluctant to take on more debt as there is a 20 million commitment to the new headquarters on a 15-year lease.

Ms. Moritz provided an overview of the Divisions tab on EBD #3.40:

* All Divisions reported.
* All Divisions were asked to give furlough days.
* FY21 is a conference year for ACRL and spend-down year for PLA.
* Divisions must maintain net asset balance or surplus for two net years or look at possibility of changes.
* Three divisions are combining into one, and the next iteration of budget will reflect Core.
* No transfers to the endowment are reflected due to liquidity situation.

Ms. Farrell noted two things about conference services, which will be discussed later during the Conference Services discussion in Session III:

* FY20 budget needs to be revised to factor in Virtual Event.
* FY21 budget will shift depending on decision about Midwinter.

Ms. Schneider noted her frustration with the presentation of budget materials.

Ms. Brown noted that it appears that Divisions budget to spend more than their revenues and asked if this a longstanding practice. Ms. Moritz noted that it is a longstanding practice. They usually budget conservatively but typically end in a better position and budget on two-year cycles, with one for conferences and the other for spend-down.

The Board discussed concerns approving the document with so many outstanding questions. Ms. Farrell withdrew the proposal for approval.

Ms. Farrell noted that Council approves the Annual Estimates of Income. The projected net assets at end of FY20 along with projected revenues are used to set the spending ceiling for FY21. This will need to be approved by the Board and subsequently Council in order to ultimately approve the FY21 Budget.

***Joint Budget Analysis Review Committee (BARC) & Finance and Audit (F&A) Committee Report EBD #3.38***

Peter Hepburn, BARC Chair, shared that BARC continues to be frustrated by the delay in the budgetary and financial documents. BARC feels it cannot adequately provide feedback or offer advise with these constraints and hopes there is a successful pathway forward.

***Endowment Trustees Report - EBD #13.4***

Pat Wand, Senior Trustee, provided the following report:

* Pandemic and Racial & Social Injustice events have had an impact on Investment Markets.
* Book value of endowment is at 15.9 million and the market value is at just over 52 million.
* In February, there were dramatic decreases in world market performances, and the ALA endowment was down 4.5% from end of 2019.
* By end of May, there was some improvement in world markets but, overall, most were still down. The ALA Endowment was only down 3.6% with a closing balance of 52 million.
* In April, Trustees opted to sell half of Equity Income & Growth Fund (ETF) and invest in a new fund via Merrill Lynch, Fossil Fuel Reserve Free Fund, which is considered an ESG fund.
* Trustee activities include:
* Close monitoring of investment markets during pandemic, including four calls with Merrill Lynch. Each Trustee is also monitoring a particular asset class.
* Work closely with ALA Treasurer and Senior Management to support a healthy financial outcome, including review of loan request for FY21 and FY22 and remaining alert to changes in payout in FY22.
* April investment in Fossil Fuel Reserve Free Fund took ALA’s investments in ESG to 44.4% of portfolio.
* Remain alert to rebalance portfolio as needed.
* Address member concerns regarding fund management and cost structure.
* Education for Trustees and Members.
* Trustees have asked Merrill Lynch to look for investment opportunities in minority-owned businesses.

Ms. Wand confirmed that the Board will have to approve an Endowment loan, even if approved by Trustees.

***Additional Items***

ALA Executive Director Tracie Hall discussed the following:

* Ms. Hall noted that a series of charrettes will be conducted with ALA staff around eight topics to generate alignment, opportunity, and collaboration, with 51% staff participation.
* One Voice Policy
* Some questions have arisen about the seeming de facto One Voice policy in light of an association with so many units and perspectives. Some historical documentation was provided to the Board regarding discussion of this policy, though no concrete actions were taken in the past.
* Ms. Pelayo-Lozada noted that the ODLOS Advisory Committee discussed frustrations that various groups wanted to make statements and/or contribute to drafting Board statements. A specifically outlined process or policy may help address these concerns.
* Mr. Dawes noted that ALA should also consider individuals’ desire to make statements Mr. Garcia emphasized that further review is needed as the documentation provided was from twenty years ago. Mr. Jefferson noted that the policy is in regards as to who speaks for ALA. The Membership and Council speak through voting.
* Ms. Ghikas noted that much of the documentation comes from a period when statements were posted in direct opposition to Council. There is documentation that Round Tables and Committees do not speak on behalf of ALA, and Divisions can within the framework with ALA. She encouraged the Board to consider two perspectives:
* What would a process look like? How can each group communicate to the Board?
* As long as within the framework of ALA, what is the degree of variation from the message?

Mr. Jefferson suggested establishing a workgroup for this issue.

**Board Statement (BIPOC statement)**

Ms. Pelayo-Lozada noted that this has been a historic Board taking historic actions. In light of the current environment and the last few years, there seems to be frustration, within membership or those who do not join, that ALA is what is and always will be. There is a great deal of opportunity for change. That starts with acknowledging where we came from and the systemic and inherent issues in order to move forward.

Mr. Jefferson noted that in the many statements coming from organizations in the past weeks, few acknowledge their responsibility in how we got here. If the Board agrees, that is how he will begin his inaugural address. He asked the Board to develop a statement that can be read at that time.

Ms. Hall emphasized that racism needs to be dismantled, and this will be a marathon and not a sprint. There may be a desire from some to quickly solve the problem and move on.

**VOTED** to approve the board statement condemning police violence against BIPOC, protesters and journalists**.**

The Board adjourned into closed session.

**Session III: Tuesday, June 30 at 12:00 PM – 4:00 PM CT**

The Board convened at 12:00 pm CT on Tuesday, June 30, 2020 with President Wanda Brown presiding.

***Procedural/Consent Items***

**By consent**, the Board accepted the following items:

* Agenda Approval EBD #9.13.2
* Spring Board Meeting Minutes EBD #2.10
* International Report EBD #12.67
* Center for the Future of Libraries EBD #12.68

***Conference Services Report - EBD #12.61***

Earla Jones, Director of Conference Services, provided the following report:

* Virtual Event: Ms. Jones referred the Board to the conference report for more details but highlighted the following:
	+ Received very positive verbal and online feedback.
	+ Conference Services team had an initial debrief and the Conference Committee will be debriefing tomorrow.
	+ Participant evaluations were distributed along with the certificates of attendance. Participant evaluations will close July 10, and a staff evaluation will be sent out as well. That feedback will be reviewed at an internal debrief later in July and will be shared with the Board.
	+ Registration reached 7,379. 7,139 were active participants, which is the equivalent of check-ins at a live event. The remaining 200 would be considered no-shows at a live event.
	+ About 450 took advantage of the opportunity to participate for free if furloughed or laid-off.
	+ The majority of the registrations did come in from the $60 promo connected to the sponsors.
	+ The revenue from registration was just over $600,000 and exhibitor session revenue was just over $200,000.
	+ Surpassed initial budget significantly and the net after overhead will be close to $600,000, with the invoice for one of the biggest expenses for captioning not yet submitted.
	+ 500 people donated to offset their carbon footprint and that yielded $2,000.
	+ There were a couple of hiccups with regard to the technology. We were able to quickly redirect and instead of using the ALA sign-in, moved straight to signing in with Cadmium via a code key. Once that was done, sign in was seamless for everyone. Moving forward, we will use that method, so we do not risk sign-in issues.
	+ There were two channels, one for general programming, and the other dedicated to roundtable activities. There was also a live feed and on-demand viewing options. All registrants will have access for a year. Those registrants with initial issues signing on Wednesday will be able to access the programming. Various channels received between 3 and 500 participants, which was stellar because they do not typically get that much on site.

Ms. Wong and Mr. Garcia commended Ms. Jones and her staff on pulling off a successful event in a short time. Mr. Garcia requested a report from Conference Services at the Fall Board Meeting regarding if recommendations of Conference Accessibility Task Force were followed.

***Equity, Diversity, and Inclusion Report - EBD #12.62***

Martin Garnar, ODLOS Advisory Committee Chair, provided the following report:

* EDI Assembly
	+ First meeting scheduled for August 4 at 3pm ET.
	+ Sent out a general call for participation and in the process of sending invitations the constituent groups identified to be part of this assembly. One of the challenges is to identify those contacts and transition in leadership for divisions.
	+ Consulted with the Committee on Organization for guidance on how to handle the assembly, but they noted they do not have jurisdiction of assemblies established by the Executive Board, which leaves some freedom for moving forward. It is important that the assembly is a member-directed group.
	+ He encouraged the Board to ensure that there is an Executive Board Liaison. Mr. Garnar noted that he will participate as a member-at-large.
	+ Ms. Lahurd noted that the assembly will be integrated into the volunteer form so that Members have a method to volunteer and join that syncs with our member database and Connect.
* As outgoing chair, Mr. Garnar knows the association is facing many fiscal challenges, but he would advocate for the swift hiring of a permanent Director for the ODLOS office, especially with a new assembly. He noted the Ms. Lahurd has done an amazing job, but the office is stretched to its capacity. He also encouraged keeping the incoming ODLOS Advisory Committee Chair on the search committee.
* Mr. Garnar noted that he will be returning to the role of Intellectual Freedom Committee (IFC) Chair. Intellectual Freedom and social justice are connected, and he hopes ALA will work to be proactive in this work rather than reactive to issues as they arise.

Ms. Lahurd recommended that chairs for various committees, such as ODLOS, IFC, and Ethics to have regular communication and coordination, so that is in the early stages of being set up.

Ms. Garcia-Febo thanked Mr. Garnar for his words. She noted that she has heard from many members about issues relating to Intellectual Freedom, such as the issues surrounding library meeting rooms, and perceived conflicts with social justice. She is glad to see efforts from these groups to communicate.

***Office of Intellectual Freedom (OIF) Report - EBD #12.63***

Ms. Caldwell-Stone, Director OIF, thanked Mr. Garnar and Ms. Lahurd for engaging these conversations about intellectual freedom and social justice, noting that she is also committed to the conversation.

Ms. Caldwell-Stone referred the Board to OIF’s report but noted some highlights:

* A benefit of the pandemic has been the postponement of legislation targeting libraries and librarians, which was outlined in the April Board Meeting report. These bills would have facilitated the suppression and censorship of library materials and programming primarily addressing LGBTQIA+ issues. The deepest concern is that this appears to be an organized effort by a number of advocacy groups and will likely be back in the next legislative session. We must continue our work in countering this legislation. OIF is working with Megan Cusick in PPA to provide resources to state chapters to work with their state legislators and to address these issues.
* A conference panel that was presented by the Committee on Professional Ethics (COPE) at the PLA conference revealed a desire to look at the Code of Ethics and develop a new article that emphasizes the professional responsibility of all library workers to promote and embrace social justice initiatives. Steve Matthews, the incoming chair of the COPE and Andy Harris, outgoing chair, are committed to developing a working group that includes many stakeholders to bring forward this new article.
* The Intellectual Freedom Committee and Privacy Subcommittee worked very hard on developing resources for pandemic response, including two sets of important guidelines that address access issues and privacy issues, especially related to contact tracing.
* OIF signed on to a number of letters this term:
	+ A letter to corporations that provide tablets to incarcerated persons so that they can either communicate with friends and family or access eBooks and other reading materials, with a fee for every screen. The letter asked these corporations to remove these fees during the time of pandemic lockdown, with no visits and no access to prison library materials.
	+ OIF joined a letter authored by the National Coalition on Censorship calling on public officials to support the First Amendment rights of protesters and journalists.
	+ OIF also signed on to comments to about rulemaking advanced by the Department of Education that would allow federal funding to be pulled from academic institutions from a single allegation or a single judgment that the institution had somehow violated someone’s free speech rights, which is a very active area of conflict right now at universities. These comments urge that the rules be changed to avoid that outcome.
	+ Signed a letter protesting the removal of a political cartoon that was critical of the president from a website that promotes access to political cartoonist materials. That has a good outcome as the cartoon was restored.
* Reports of challenges have slowed during this time when libraries are closed. However, they are still occurring and probably the most notable was the removal of five standard literary novels from the curriculum in Alaska. On their own initiative, three newly elected board members joined with two other more conservative board members to remove these books from elective high school curriculum. OIF was immediately contacted by school librarians and the district and sent a letter of support with signatures from other educational and anti-censorship groups to the board urging them to reverse the decision. The board voted to restore these five books to the curriculum.
* OIF is still receiving some reports of challenges, such as to Pride displays and a drag queen story hour, generally connected to June Pride events staged by public libraries.

***Development Office Fundraising Report - EBD #6.6 & FY20 Q1-Q3 Cash Flow Analysis CBD #35.0***

Tracie Hall, ALA Executive Director, asked Anne Manly from the ALA Development Office to provide an overview of ALA fundraising. Ms. Manly noted that the office provided two reports in preparation for this meeting. She provided the following highlights:

* A couple of trends have emerged:
	+ Relationship building and the extended time needed for cultivation: With high staff turnover, this has been difficult, but the office is beginning to see progress. One example of this is the Acton Family Giving Foundation, which has supported programming for ODLOS and PPO. We approached Acton about the possibility of general operating support. They came back with a gift of $150,000 unrestricted to the general fund, which was out of cycle and doubled their gift in the Fall.
	+ The need to expand beyond the usual pool of donors: an example of this is a recent agreement that was reached between ASL and Pokémon. The agreement was finalized for $85,000. A substantial amount of that will go toward ASL sponsorship. It is encouraging because it is an organization that does not have a past relationship with ALA. Our Director of Individual Giving is also focusing on expanding that pool of donors.
* The Development Office has been working with the Office of Intellectual Freedom to find a paid law fellowship or internship for the coming year. As a result, the office has connected with several universities that have paid programs.
* Donations from corporations, foundations, and organizations is slightly down. Final numbers for the previous quarters are not available, so we may see an improvement. The Development Office, like everyone, is waiting to see the impact of the pandemic but numbers are looking good.
* Expect a downturn in the Library Champion membership for the coming year. A priority for the Development Office is to solidify the Library Champion program. These relationships seemed strong, but at this point five library champions who are due to renew have not yet renewed. In three instances, the regular contact people are currently furloughed, which indicates some financial difficulties internally.

***Philanthropy Advisory Group (PAG) Report - EBD #6.7***

Joyce Garczynski & Karlene Jennings, PAG Co-Chairs, joined by Mary Hastler, PAG Secretary, provided the following report:

* PAG has identified two focus areas and will establish two subcommittees for Communications & Policies, Procedures and Protocols.
	+ PAG will look at messaging, as well as policies, procedures, and protocols, such as creating cored documents like a gift acceptance policy.
	+ It is imperative that a culture of philanthropy is ingrained in the ethos of the organization.
	+ They encouraged Board Members to provide feedback for PAG to take under advisement.
* PAG has identified key components to a culture of philanthropy:
	+ Infrastructure: ALA should think of the organization as an aircraft carrier. We must support the overall carrier so that all the planes can land and take off, and so that the rest of the fleet supported.
	+ Messaging: Philanthropy should be interwoven into the entirety of what ALA does with a cohesive message in all publications, messages, etc.
	+ Marketing: Philanthropy is marketed to other library professionals, promoting what ALA does for libraries and librarians.
	+ Data Integrity: Collection and usage of data that is seamless.
	+ Accurate Reporting: Expectation of regular reports and balance sheets on donor contacts and solicitations.
	+ Leadership: Support must come from the Executive Board down.
	+ Consistency & Sustainability: Need to limit the staff turnover in the Development Office to maintain staff and strategy.

Ms. Jennings emphasized that philanthropy needs to be part of ALA’s strategic vision.

Ms. Schneider moved to direct the Philanthropy Advisory Group to report on its initial recommendations to build a culture of philanthropy at ALA, as well as a draft gift acceptance policy, by the

Midwinter Meeting. Ms. Wong seconded the motion. Mr. Garcia, Executive Board Liaison to PAG, supported the motion in order to provide clear guidelines and timelines for PAG.

**Voted** to direct the Philanthropy Advisory Group to report its initial recommendations to build a culture of philanthropy, as well as draft a gift acceptance policy, by the 2021 Midwinter Meeting.

Ms. Farrell reminded the group that PAG appointments were provided to the F&A committee for review. As PAG considers bringing on additional members, please continue that process. She encouraged PAG to have its recommendations ready for the committee’s October meeting.

Ms. Schneider referred to the Development Office Fundraising Report, EBD #6.6, and noted that the number of donors in the report do not add up correctly and requested that a corrected report be provided.

***IT Strategy Investment Report - EBD #12.64***

Sherry Vanyek, Director, IT, provided the following updates:

* Move:
	+ A new data center was installed at the new headquarters location at Michigan Plaza and in late March/early April, with new equipment was installed. This location will have a smaller footprint because most infrastructure will eventually be located in the cloud.
	+ In a couple of years, ALA will establish a colocation facility for the remaining data equipment that will be located in the cloud.
	+ Installed Ring Central VOIP telephone system in late April, with training and FAQs for staff.
	+ Contracted with Comcast to get internet services up and running at the new location.
	+ Transferred 240 docking stations, peripherals and monitors to the new building.
	+ Services were interrupted after migration to the new storage systems on Memorial Day weekend. All the services were restored by June 8.
	+ The storage systems are from HP and unstable. After working with our vendor and HP, they will replace our storage systems at no cost. We paid approximately $135,00 for those storage systems. HP will provide a solution by end of week. We hope to migrate to the new storage systems without interruption in services.
* Staffing:
	+ IT investment organizational chart called for 15 positions by January 2020 and currently we are at nine after ALA’s User Experience Manager left in June.
	+ With the current hiring freeze, IT will cross train staff as much as possible.
	+ Brian Willard was appointed as Deputy Director of IT. Mr. Willard is a certified Association Executive and well known in the association community.
* IT Roadmap
	+ Moved the depreciation expense out to future years and moved many projects from FY21 to FY23-25.
	+ Will look at reorganization and consolidation of technology, especially given budget constraints.
	+ Investment dollars have not changed but have been spread out to FY22 and beyond.
	+ There will be few capital projects in FY21.
* All units were asked to a 5% reduction in budget for FY21, so the IT budget was reduced from 3.7 million to 3.5 million. IT further reduced its budget by not hiring Chief Information Officer, Director of Infrastructure, and Internet Administrator positions.

Ms. Farrell asked if Jim Gibson, who was acting as Interim CIO and then consultant, is still involved with IT. Ms. Vanyek noted he is not currently active with ALA, but he is available if we need to reach out to him.

Ms. Schneider asked if the Managed Services Infrastructure Provider noted in the report was Mr. Gibson. Ms. Vanyek noted that vendor is Connection. IT did an RFP in the Fall but did not find a vendor to contract with that made more sense than Connection. Ms. Vanyek is monitoring that vendor situation with Ms. Hall.

Ms. Schneider noted that there are a number of positions on the IT investment chart that are not filled.

Ms. Vanyek noted that the Internet Administrator left in June and there is a current hiring freeze. She also noted that when the initial chart was originally completed, several additional positions were created. With some streamlining in services and moving things to the cloud, some of those positions may not be needed. Additionally, as noted, some of the investment has been moved out a few years.

***Council Debriefing: Financial Question Responses***

Maggie Farrell, ALA Treasurer, provided an update from the Council Debriefing:

* A question arose about the cost of Council. Ms. Farrell shared a document with Council with estimated costs. She emphasized that these numbers are an approximation. A more detailed analysis is needed with more time and more individuals involved, especially in the fiscal analysis of Forward Together.
* There are ongoing concerns regarding net asset balance, which were addressed. Within the budgetary process, all net asset balances are zeroed out before the new budget is loaded and Midwinter happened just as budget process was starting for the next year. The zero balance reflected a new budget year.
* ALA does have a liquidity issue, with the cash behind net asset balances too low for comfort. This is an ongoing concern shared by the Board and Finance Office.
* Communication has been central through all financial issues:
	+ Internal communication within ALA about budget constraints needs to be a high priority, as well as externally.
	+ Ms. Farrell commended the Board, BARC and F&A for not passing the budget as they felt it was not good enough.
	+ A Council meeting will be scheduled for the Fall, specifically to address the budget and the annual estimates of income.
	+ Ms. Farrell emphasized the need to keep strong communications with councilors regarding financial issues. She also stressed her commitment that the Operating Agreement Workgroup will look at net asset balance management as part of the operating agreement process.

Mr. Garcia noted that during financial discussions members seemed unhappy with the amount of furlough days budgeted for ALA staff. He noted that the Board should discuss and approve this loan from the endowment with a possible increase to remove the furlough days.

Ms. McCauley emphasized the additional pressures presented by the pandemic and its impact on strategic investment, and people understand that.

***Forward Together Update***

Ms. Pelayo-Lozada provide the following updates:

* Council passed an amended resolution, CD #42, regarding the work of Forward Together, which adds some additional steps in the process originally outlined. The resolution outlines five components, much of which aligns with original proposals presented to Council by the workgroup, including:
* Council added its own timeline.
* The Board will present a report with specific action items to ALA Council.
* Consolidated feedback from the various sessions with an option for virtual commentary prior to the fall meeting.
* Ms. Pelayo-Lozada drafted a potential final report to help the Executive Board and Forward Together working groups facilitate that conversation.
* The current recommendations will not be updated or amended, but the group will gather feedback to pass on to the Phase Two workgroups.
* Raymond Garcia at ALA has access to the SCOE work via Google drive. Ms. Pelayo-Lozada noted that she attached a few items in the report that might be particularly helpful, including a letter from ALA past presidents and the PLA/ACRL response to Forward Together, and Discussion Issues Document. The final attachment was not released to Council but is a guide that outlines the advantages and the disadvantages of the different recommendations, as well as some potential changes or amendments that had already come through in this feedback.
* The names of the Forward Together Working Groups were supposed to be announced during the last council session, but other debate took precedence. Ms. Pelayo-Lozada recommended that the names should be released in a message via the Forward Together Discussion Group in Connect.

Ms. Garcia-Febo commended Ms. Pelayo-Lozada for her tremendous work on this project.

Ms. Farrell asked for some clarity on next steps given the resolution’s amendments. Ms. Pelayo-Lozada noted that the Board should guide Council on this and work with the Forward Together Working Groups to structure the Fall meeting. Those Working Groups will put together a plan for the process and documents.

***Sustainability Task Force Motion***

Mr. Garcia presented the Sustainability Task Force Motion, noting that it is primarily a housekeeping motion. At the previous Board Meeting, the Board voted to direct the Committee on Organization to form a Sustainability Committee by Midwinter 2021. The Sustainability Task Force was set to expire, but this motion proposes extension of the Taskforce until the committee is established. Ms. Pelayo-Lozada seconded the motion.

**VOTED to approve** extension of the timeline for the Sustainability Task Force until a Sustainability Committee is created.

***Board Liaison Reports***

* Ms. Farrell noted that she still has a couple of meetings scheduled later this week. In general, most groups shared member concerns about finances and appreciation for Board statements. ACRL specifically asked about the issue of the One Voice policy. They asked for guidance about what they can do as a Division and how to support that policy. That is a discussion that the Board needs to keep in mind.
* Mr. Garcia reported that most of his groups will be meeting in the next few weeks. He attended the SRRT meeting, and they were very appreciative of the Board statements released in the past several weeks. Their primary concern is about the outsourcing situation in the Finance Office and the lack of

membership reports and their own financial reports. Additionally, this affected their Memorial Award Scholarship, as they were waiting for the finance office in order to post on their website for donations to cover the award. That has been done now, but their concern is over the amount of time.

* Ms. Barnes reported that she has not had the opportunity to connect with all groups but has heard similar concerns regarding finances, as well as overall concerns over next steps for the association. Ms. Barnes has heard good feedback about the virtual conference. However, there has also been varied feedback on cost, with some saying to charge more and others advocating that it should be free.
* Ms. Pelayo-Lozada noted that she has heard similar positive feedback regarding the Board statements. The Sustainability Round Table did have questions on money, such as how to request it and budget. Ms. Pelayo-Lozada pointed them toward Danielle Ponton at ALA. They were very pleased with the Endowment Report that 44% of our portfolio is now ESG.
* Ms. Henry noted that she sits on the International Relations Committee and participated in the committee call two weeks ago. They discussed how to move forward when events have been cancelled. IFLA was cancelled this summer, but there will be another opportunity to go in 2022 in Dublin. The Guadalajara Book Festival in late November/early December is still moving forward as of now and still accepting applications. The Committee on Professional Ethics (COPE) presented at the PLA conference. They received feedback that it does not seem, as a profession, we are following new code of ethics and so they have to create a working group with COPE, the Committee on Diversity, ODLOS Advisory Committee, SRRT, EMEIRT, and come other groups to develop a protocol or statement. That is still in the early stages of planning.
* Ms. Schneider reported her groups also expressed appreciation for the statements and talking points. Most feedback concerned finances. There was some enthusiasm around CD #47. While it did not pass, Ms. Schneider shared some of her thoughts on reporting and transparency that were well received. The Membership Committee dug into the dues reform issue and saw the need to simplify structure for members.
* Ms. Wong noted that the Conference Committee will meet tomorrow to debrief on the Virtual Event, so please reach out with any further feedback. Most other group meetings occurred around the virtual meeting. There is appreciation for staff flexibility about changing the timeline for resolutions, but there is a future conversation to be had around structure and equity to make resolutions happen.

***Board Member Recognition***

Ms. Schneider and Ms. Henry honored outgoing Board Members, Trevor Dawes, Lessa Pelayo-Lozada, and Patty Wong (who will return as President-elect). Ms. Schneider noted that normally New Board Members would receive physical gifts in person. Ms. Schneider and Ms. Henry worked with staff, particularly Graphics, to create ALA face masks and purchased boxes of Sonoma County Chocolates. Outgoing members should have received those or will soon. They hoped to give something useful and also something you might not get under shelter-in-place. Ms. Schneider thanked outgoing member for their mentorship and hard work. Ms. Henry noted her appreciation of outgoing members and enjoyed working with them.

Ms. Brown also thanked the outgoing members for their hard work, emphasizing that this work is truly a team effort that requires people who care enough to voice their opinion.

Ms. Hall acknowledged the work of all Board Members for their contributions, each of whom is the epitome of stewardship.

The Board adjourned into closed session.