

ILA Executive Board Meeting Minutes
Monday, 17 August 2009
Illinois Library Association

Present

Officers

Carole A. Medal, President
Gail Bush, Vice President/President-Elect
Donna Dziedzic, Immediate Past President
Theodore Schwitzner, Treasurer

Directors

Betsy Adamowski
Terry Cottrell
Halle Cox
Carole Dickerson
David Hamilton
Dianne Happ
Robyn Hendricks
Sheree Kozel-La Ha
Donald L. Roalkvam
Phyllis C. Self
Diana Brawley Sussman
Rebecca Teasdale

Ex Officio

Anne B. Craig
Robert P. Doyle

Guest

Kitty Pope

The meeting began at 11:00 A.M.

Review of the Agenda

C. Medal reviewed the agenda and it was approved with addition of discussion of the possibility of an Al Trezza award/memorial/commemoration.

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Review and Approval of 19 June 2009 Minutes

D. Dziedzic moved, D. Sussman seconded and it was

Voted, That the Illinois Library Association's Executive Board approve the minutes of the ILA Executive Board Friday, 19 June 2009 meeting. (The motion passed unanimously. H. Cox and D. Happ were not present to vote.)

Illinois State Library Report

A. Craig reported that Illinois is facing a multi-billion dollar budget deficit. Cuts and shortfalls have become part of every Illinois constitutional officer's Fiscal Year (FY) 2010 budget package. The Office of the Secretary of State is no exception. __

Illinois Secretary of State and State Librarian White's longstanding commitment to excellent service to the residents of our state remains a top priority. In fact, Secretary White's original FY10 budget request included an increase of approximately \$1 million to the Illinois State Library. Unfortunately, the Illinois General Assembly's budget process resulted in substantive cuts (50 percent) to library grant programs such as the public library per capita, the school library per capita, and the library system per capita grants. __

In order to minimize the impact of these cuts to long-standing library programs such as delivery, the state library will use Library Services and Technology Act (LSTA) grant funds from the U.S. Institute of Museum and Library Services (IMLS) to provide some relief to libraries. Therefore, in Fiscal Year 2010, the Illinois State Library will not be awarding LSTA grants. Funds from IMLS will instead be used to lessen the effect of the cuts. The cuts total \$16 million. This means a 16 percent cut in public library per capita, 3 percent cut in the school library per capita, and 16.5 percent in library system per capita grants.

At the Thursday, 13 August Illinois State Library Advisory Committee meeting, Tom Jones, chief deputy director, Secretary of State Budget Office and Jesse White urged the Illinois library community to contact their Illinois General Assembly elected officials to demand the restoration of these funds. "It was the Illinois General Assembly's fault that we didn't get our funds. They need to hear your story. The Secretary of State's office is on your side and has done everything to minimize your loss."

There is some good news:

- A total of \$810,800 was appropriated for the Live and Learn public library construction grant program, up \$190,000 from the FY09 amount of \$620,800;
- The state capital bill will establish a new \$50 million library construction program. The state library will administer this grant program that will follow the rules for public school construction;
- U.S. Senator Richard Durbin has requested \$300,000 to allow the Illinois State Library, in cooperation with the Illinois Library Association, to assist public libraries in expanding their small business and employment resources, including technology. The U.S. Senate Appropriations Committee, of which Durbin is a member, has approved the project. This request/project continues now through

the federal budget approval process and a decision might be known in fall 2009;

- The Bill and Melinda Gates Foundation will be awarding approximately one million dollars to Illinois for use in 134 libraries; and
- The state library tentatively plans to submit an application in the second round of Broadband Technology Opportunities Program (BTOP) grants.

A. Craig suggested that ILA write a letter to her with our specific budget questions in order to be the most effective library advocates.

A series of questions were asked and the responses follow:

The Illinois State Library receives approximately \$6 million annually from LSTA funds. How much is being used to lessen the effects of the cuts?

“Approximately \$3.8 million.”

Is the remaining LSTA \$2.2 million being used to fund other statewide annual projects, for example, the Small Public Library Management Institute, the Institute for School & Public Librarians, Synergy: The Illinois Library Leadership Initiative, databases, etc.? Will all of these programs be fully funded?

“Other LSTA funds may be used for Small Public Library Management Institute, the Institute for School & Public Librarians, Synergy: The Illinois Library Leadership Initiative, databases, etc. We are not sure at this time about whether these programs will be fully funded.”

What is the impact to the state library budget?

“We do not have an indication at this time. There are many pressures on the Secretary of State budget, as Tom Jones expressed to the Illinois State Library Advisory Committee.”

While the Illinois General Assembly cut the grants programs by 50 percent, was the Secretary of State’s office singled out or was this a consistently applied principle to all state grant programs? In another words, do we know if these cuts are proportional and consistent with other state agencies?

“I do not know. Please ask that question in your letter.”

Will the use of LSTA funds in this manner by the Illinois State Library be problematic to the funding source, the Institute of Museum and Library Services (IMLS)?

“The decline in state grant dollars may impact our match for federal LSTA dollars. Many other states will undoubtedly be in the same situation.”

Is the LSTA funding for the planned Monday, 9 November 2009 Statewide Planning Summit at the Allerton Institute, facilitated by Maureen Sullivan, still available?

“The Secretary of State / Illinois State Library is evaluating other programs.”

The ILA Executive Board will submit questions by the end of the week to R. Doyle for possible inclusion in a letter to A. Craig. At tomorrow's 2009 ILA Orientation Session, the committee members and forum managers will be encouraged to submit questions also. It is hoped that the following week a letter will go out with the ILA President's signature seeking to obtain the best information possible to mobilize our efforts.

Public Policy Committee Report

2010 ILA Public Policy Initiatives

C. Dickerson moved, D. Dziedzic seconded and it was

Voted, That the Illinois Library Association's Executive Board approves the 2010 ILA Public Policy Initiatives. (The motion passed unanimously.)

2009 Spring Legislative Session

Legislators filed over 7,000 individual bills. The Illinois Library Association tracked more than ninety bills and resolutions on a variety of issues including funding for libraries, intellectual freedom issues, local government operations, and other issues of importance to the library community.

The association's record in opposing legislation harmful to libraries was outstanding -- all bills opposed by the association this session failed. The most significant bills were:

House Bill 1312, would have created the Social Networking Web site Access Restriction Act. This legislation would have been impossible for social networking sites to comply with, and would have resulted in less access to such sites;

House Bill 3800, would have amended the Criminal Code to make it illegal for a child sex offender to knowingly be present in a library or to knowingly loiter within 500 feet of a library. ILA argued that this was a potentially unworkable and unfunded mandate. The position of the ILA board is that access to library facilities and services are a matter of local control best left to individual libraries;

Senate Bill 1294, would have prohibited child sex offenders to be present at any portion or area of a public library facility designated by the library's governing board of library trustees or by the library commission for use primarily by children under the age of 18, as well as any program in the public library facility directed towards children under the age of 18. The ILA board took the same position on Senate Bill 1294 as on House Bill 3800; and

Senate Bill 2078, would have amended the Illinois Local Library Act to provide that any non-resident, and that non-resident's immediate family, who owns taxable property within a city, incorporated town, village, or township that has established a public library is entitled the same services and benefits of the library as a resident card holder. The ILA board opposed changing the current rules on access by non-residents.

Our record for passage of bills supported by the association was nearly as impressive -- seven bills advanced by the association were passed by both chambers and sent to the governor for his signature.

House Bill 49, Public Act 96-498. This legislation amends the State Library Act and the State Property Control Act. It permits the Illinois State Library and state academic libraries to routinely manage their collections and properly dispose of library materials. It specifically permits the sale or transfer of library materials to non-profit agencies as well as the sale of materials through book sales to dealers and other appropriate organizations. The legislation would require that the proceeds from such sales be used only for the purchase of new library materials.

House Bill 146, Public Act 96-227. This legislation permits Illinois county boards to adjust county circuit court clerk filing fees in support of county law libraries. The fees are capped at a maximum of \$18 in 2009, \$19 in 2010, and \$21 in 2011 and thereafter. If a county board decides to adjust this local fee, the board would have to pass an ordinance through a public process and the revenues must be used to support the county law library. Judges, attorneys, and litigants use county law libraries. Increasingly pro se litigants are turning to the county law library for assistance. The costs for library operations and services have increased dramatically, especially for new and expanded electronic resources.

House Bill 211, Public Act 96-500. This legislation amends the Illinois Local Library Act to provide a procedure to dissolve a public library that has failed to operate or comply with the Local Library Act. The dissolution process was modeled after an existing statute for dissolution of a non-functioning park district. A library may be dissolved by court order after a finding that the library does not comply with the statutory requirements. It is important to have a process for dissolving a non-functioning library. While not providing service but still officially recognized, library patrons in that service area are denied library privileges at neighboring libraries. Essentially, these patrons have no library service available. Dissolution of a non-functioning library will permit patrons in that service area to seek privileges as a non-resident at the nearest library.

House Bill 242, Public Act 96-501. This legislation brings consistency to the Property Tax Extension Limitation Act (tax caps). Currently tax caps allow a small annual adjustment in the aggregate extension levy for operational purposes. This annual adjustment is equal to the lesser of 5 percent or the consumer price index. However, the debt extension levy has been frozen without any annual adjustment since 1995. House Bill 242 allows the debt extension levy to be adjusted by the same small amount as the operations levy. This legislation is prospective only, but will greatly benefit units of local government as they pursue job-creating capital projects.

House Bill 793, Public Act 96-664. This legislation amends the Open Meetings Act to permit an Illinois library system with jurisdiction over more than 4,500 square miles to include members participating in a videoconference when determining the physical presence of a quorum at an open meeting. Currently, only a public body with statewide jurisdiction may include members participating in a videoconference when establishing a quorum. Library systems with vast territory such as these make it virtually impossible for their boards to establish a physical quorum in one location. These unpaid board members must travel long distances at great hardship. All meetings and all sites are still open to the public in all other respects.

Senate Bill 1285, Public Act 96-648. This legislation amends the General Not For Profit Corporation Act of 1986 to provide that voting members or their proxies, belonging to a not-for-profit corporation, may conduct elections for directors, officers, or representatives by mail, e-mail, or other electronic means if the corporation's bylaws so provide (instead of conducting elections for directors and officers exclusively by first-class mail only).

Senate Bill 1390, Public Act 649. This legislation amends the General Not For Profit Corporation Act of 1986 to provide greater flexibility to associations in conducting business via e-mail or any other electronic means.

Illinois Library Shovel-Ready Construction/Renovation Projects

R. Doyle noted that one of the earliest initiatives of the Obama administration was passage of a massive federal stimulus package, designed to jump start the faltering economy with public works projects that would put people to work and put dollars into circulation as quickly as possible. In December 2008, ILA compiled the *Illinois Library Shovel-Ready Construction/Renovation Projects* in anticipation of possible federal economic stimulus funds or a state capital bill. Since being sent to both state and federal officials, the list resulted in the passage of House Bill 312, Public Act 096-0035 and Senate Bill 1221, Public Act 096-0039, funding more than \$113 million in library capital projects.

President's Report

2009 ILA Orientation Session

C. Medal reviewed the plans for the next day's activities.

Marketing Committee Charge

B. Adamowski moved, R. Teasdale seconded and it was

Voted, That the Illinois Library Association's Executive Board approve a change to the charge of the ILA Marketing Committee by inserting "In addition, the committee may serve as the marketing arm of the association." (The motion passed unanimously.)

2009 ILA Annual Conference Plans

C. Medal carefully reviewed the board member commitments at the 2009 ILA Annual Conference.

Web site Review Task Force

R. Doyle presented the proposed changes to the ILA Web site. The primary objectives are:

1. Present a cleaner and more organized appearance;
2. Provide an easier navigational experience for users;
3. Add color and vibrancy with use of photos and images; and
4. Use Drupal as the content management system/framework to allow staff to make changes easier.

Specific changes include:

1. The search feature is moved to the top of the page, in contrast, to the current location at the bottom;
2. A prominent banner anchors the site;
3. Wider format with content centered under banner;
4. Easy to use pull down navigation tools;
5. Rotating images and captions that link to featured areas in the site; and
6. ILA news and information area, updated by staff, at the top.

R. Doyle asked the ILA Web site Task Force to discuss the following questions at the 2009 ILA Orientation Session.

- Who is the primary audience? What are they looking for?
- What content should be on the home page? What should be one click away?
- Do the pull-down categories make sense? Will users be able to easily find what they are looking for?
- What content should be in the “ILA Today” area?
- Are there new audiences that we should develop the site to reach?
- What new content could be developed to broaden the scope of the site?

Doyle also requested that the task force provide him written responses to these questions and general design comments that he can use to guide the site's future development. By consensus, the board thought the proposed Web site looked good.

Go Green Illinois @ Your Library

C. Medal said that we are awaiting a response from the Illinois Department of Commerce and Economic Opportunity.

ILA Bylaw Changes

In light of Senate Bill (SB) 1390 and Senate Bill (SB) 1285, which provide that voting members or their proxies, belonging to a not-for-profit corporation, may conduct elections for directors, officers, or representatives by mail, e-mail, or other electronic means if the corporation's bylaws so provide (instead of conducting elections for directors and officers exclusively by first-class mail only),

D. Roalkvam moved, T. Cottrell seconded and it was

Voted, That the Illinois Library Association's Executive Board approve the following bylaw changes – “~~strike through~~” is deleted text and **bold text is new text**:

Article V - Executive Board

Section 6.

The Executive Board may transact business by mail or **electronically** ~~teleconference vote~~ at the discretion of the president. ~~A unanimous vote of all Executive Board members shall be required for action by mail.~~

Rationale for recommendation on Article V, Section 6:

The wording in this section is confusing. We are not aware of the history or rationale behind this bylaw. However, we believe that the format used for communication should not affect the validity of any action or vote taken by the ILA Executive Board. A vote taken by V-TEL, videoconferencing, mail, or electronic means should carry the same weight as a vote taken in person.

Article IX - Nomination and Elections

Section 10.

Ballots listing all candidates for vice president/president-elect and for director positions shall be mailed no later than April 1 to all who hold personal memberships in the association. The deadline for return to the Executive Office shall be thirty days after the ballot is postmarked. ~~Members shall be entitled to no more than one vote for each position vacant.~~ The same calendar will hold in years when the ALA Councilor is elected.

Rationale for recommendation on Article IX, Section 10:

Again, we are not aware of the history or rationale behind this bylaw. However, the sentence "Members shall be entitled to no more than one vote for each position vacant" seems superfluous.

Recommended Addition:

Article XXII - Definitions

Section 1.

The terms "mail" and "postmark" in these bylaws shall be defined respectively as delivery, and date of delivery, by mail, e-mail, or other electronic means.

(The motion passed unanimously.)

Illinois Appellate Court Decision Affecting Illinois Public Bodies

R. Doyle said ILA is being asked to join an *amicus curiae* brief that will be filed before the Illinois Supreme Court regarding a recent Illinois Appellate Court decision affecting public bodies in Illinois. (See pages 27-46 of the board packet.) There would be no costs to the association for filing the brief. The law firm of Scariano, Himes, and Petrarca plans to file a Petition for Leave to Appeal (PLA) before the Illinois Supreme Court asking that the Supreme Court review the school board's appeal, and reverse the Appellate Court. The brief will be filed on behalf of the Illinois Association of School Boards (IASB).

C. Dickerson moved, T. Schwitzner seconded and it was

Voted, That the Illinois Library Association's Executive Board approve joining an *amicus curiae* brief asking the Illinois Supreme Court to reverse an Illinois Appellate Court ruling affecting Illinois public bodies. (The motion passed unanimously.)

Financial Contributions to the ILA Endowment

C. Medal said as leaders of the association, ILA Executive Board members are encouraged, whenever financially able, to make a minimum annual donation of \$100 to the ILA Endowment Fund. Donations can be made directly, contributed from fundraisers or honoraria, or solicited from other sources. The ILA past president should inform all candidates for office of these expectations.

Past President's Report

\$13,700 LSTA Grant Proposal on "Statewide Planning Proposal"

D. Dziejcz said the funding status of this project is currently unknown.

Treasurer's Report

Status of FY 2008-2009 Budget

T. Schwitzner reported that preliminary indications reveal that the association might end the 2008-2009 Fiscal Year with a \$28,708 surplus. As the general U.S. economy declined, ILA's long-term investments also sustained a significant \$53,574 loss. ILA's long-term investments, however, did outperform other traditional market indices declining 18.78 percent; in the same time period, the S&P 500 Index lost 28.18 percent and the Dow Jones Industrial Average lost 25.58 percent. ILA's membership dues also declined by \$10,592.

ILA ended the fiscal year with a \$28,708 surplus because the 2008 ILA Annual Conference in Chicago generated \$16,858 more than the anticipated budget revenue of \$136,152; the Fundraising Committee raised \$11,975 for the ILA's Endowment Fund, a record for the association; and the Obama Special Event License Plates sales generated \$47,701 net income. Due to all these efforts, as well as cost-cutting offsets, ILA posted a surplus.

FY 2009-2010 Budget

The FY 2009-2010 budget was presented and approved at the ILA Executive Board Friday, 19 June 2009 meeting. It was also included, as an informational item, in the 2009 ILA Orientation Session packet.

ILA Portfolio Review and Recommendations

T. Schwitzner noted the ILA Finance Committee met with Diana Jordan, from Sikich Financial on Friday, 7 August 2009 to review the portfolio and discuss changes to ILA's Fiscal Policy 6061 Long-term Investment Policy.

Recommended Fiscal Policies Changes

T. Schwitzner stated the ILA Finance Committee met on Friday, 7 August 2009 and is recommending the following changes – "~~strikethrough~~" is deleted text and **bold text is new text**.

T. Cottrell moved, D. Roalkvam seconded and it was

Voted, That the Illinois Library Association's Executive Board approve the following changes to ILA Fiscal Policy 6061 Long-term Investment Policy:

3. Relative Performance: In addition to the Real Rate of Return objective stated above, total return for each investment over a market cycle is expected to be in the top half of **the peer group and appropriate benchmark for each investment**. ~~a universe of Lipper Leaders Ranking System professionally managed funds following a similar investment policy with comparable risk and return objectives.~~

C. Investment Guidelines

1. Permissible Investments: Assets of the Fund may be invested only in publicly-traded common and preferred stocks, **exchange traded funds**, convertible bonds, and fixed income securities, whether interest bearing or purchased at discount, including money-market instruments, subject to any restrictions hereinafter specified. In addition, ~~board approved~~ mutual funds may be utilized for investment of fund assets. No other securities or instruments shall be presumed to be permissible investments without prior written approval of the Board.

2. Asset Allocation: The long-term financial requirements of the association and preference of the Board imply a portfolio of investments, placing heavy emphasis on equity securities because of their superior total return characteristics over full market cycles. The Board recognizes, however, that there may be times when fixed income investments may also be an appropriate asset class for the Fund because of their superior current income and safety of principal characteristics. Therefore, the asset allocation policy for the Fund shall be as follows:

Asset Allocation (Maximum % - Minimum %)

Equities 90%- 50% (including short-term buying reserves)

Fixed Income 50% - 10%

Under normal circumstances it is the Board's intention to have the Fund substantially invested in equity securities.

a. Equity Investments: ~~The equity assets of the Fund shall be invested in up to twenty mutual funds.~~ The Board has a strong preference for "no-load" mutual funds. The Board believes that the use of equity mutual funds and **Exchange Traded funds** will provide professional management, broad

diversification, and relative cost efficiency considering the modest size of the Fund. The mutual funds selected, weighted by the proportion each ~~fund~~ **investment** bears to the total equity investment mix, shall reflect an overall risk and return profile similar to that of the S&P 500 Index. ~~Additionally, the overall equity portfolio mix should contain not more than twenty five percent (25%) invested in foreign companies.~~

b. Fixed Income Investments: The fixed income assets of the Fund shall be invested with Money Markets, CD's, U.S. Government Bills, Notes and Bonds, Corporate Bonds rated A or better, **Exchange Traded funds** and Bond Mutual funds. ~~The use of mutual funds fulfills the objectives of proper diversification, professional management, and relative low cost considering the Fund's modest size.~~

D. Investment Management

1. Investment Management: The Board, at its discretion, may retain the services of one or more professional, licensed, investment consultants to assist in the implementation of the Board's stated investment policy. A copy of this policy shall be provided to the investment consultant(s). Any fees shall be set forth in a letter of agreement between the association and the consultant(s).

~~2. Operating Procedures: Mutual funds approved by the Board shall be purchased through a nationally recognized, low cost provider in order to simplify record keeping, monitoring, and measurement of the Fund's investments. Exceptions to this policy must be approved by the Board in advance. The executive director is hereby authorized to carry out and implement the directions of the Board with respect to the investment of Fund assets.~~

E. Review Procedures

1. Review and Amendments: The Board, or its appointed Committee, shall review this policy annually to determine if amendments or modifications are appropriate. Amendments, when approved, shall be communicated promptly to all interested parties.

2. Management Reporting: Any consultant(s) retained by the Board shall be present for one regular or special meeting of the Board each year. They will review the performance of the Fund within the context of the Investment Policy and Objectives and will make recommendations as to any desirable changes in the ~~mix of mutual funds used by the Fund~~ **overall investment strategy**. The consultant(s) will also make recommendations regarding any changes in investment policy ~~and objectives~~ deemed appropriate.

(The motion passed unanimously.)

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Vice President's Report

2010 ILA Annual Conference Plans

G. Bush announced the 2010 ILA Annual Conference Program Committee co-chairs are Karen Egan, Illinois State Library, and Ellen Popit, Shawnee Library System. The committee is exploring the possibility of increasing attendance via a Virtual Conference.

Alphonse F. Trezza

On Wednesday, 12 August, R. Doyle received a phone call from Bridget Lamont, a former director of the Illinois State Library. She would like to set up something, possibly an Emerging Leadership Award in honor of Al Trezza. Lamont pledged \$1,000 to start the "award" and has also pledged to work on raising more funds.

R. Doyle called Julie Milavec, Al Trezza's granddaughter and current director of the Plainfield Public Library, to inform her of Lamont's interests and to determine the family's intentions or interests. Milavec is out of the office, but will be back on Monday, 17 August 2009.

For those unfamiliar with Al Trezza, as the Director of the Illinois State Library, he was instrumental in the establishment and development of multi-type library systems in Illinois. Throughout his career, he exemplified leadership for libraries on the state, regional, and national levels. His publications and awards are too numerous to name, though he was especially proud of winning ALA's Joseph W. Lippincott Award and Honorary Membership in ALA. During his career, he worked for Catholic Library Association, the National Commission on Libraries and Information Science and Florida State University's School of Library and Information Science.

The meeting adjourned at 4:07 P.M.

Respectfully submitted,

Robert P. Doyle
Thursday, 20 August 2009