

ALA Executive Board

Selection of overhead model and associated financial matters related to the operating agreement

Board Action

Peter Hepburn, ALA Treasurer

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- 1) To approve, commencing with FY26, an overhead model based on net operating surplus (NOS) to be applied to all revenue-generating units
- 2) To approve, commencing with FY26, a savings plan, subject to the annual budget process and the ALA evaluation of available cash and of the overall financial health of the association, whereby each unit will be able to invest 30% of its NOS for later use by the unit and free from

to submit their preferences from among three possible overhead models. The results of that poll (Appendix 1) informed the recommendation brought forward today.

Third choice Third choice	Third choice Second choice	First choice First choice	ACRL American Association n T/TT1ciation n

Appendix 2: revised Operating Agreement policy

in bold, red italics

The American

Operational Practices Definitions of the manner or method of implementing policies.

Operational Practices (1) deal with terms under which services will be provided free of charge or at a cost; (2) define roles and responsibilities in policy implementation; and (3) reflect other issues contained in the "Policies" document that may require negotiation between departments and membership Divisions.

Operational Practices are developed and periodically reviewed by the ALA Executive Director with the ALA Department Heads in consultation with the Division Executive Directors and appropriate personnel in the department responsible for the activity described. Department personnel will provide draft copies of those practices for review and comment to appropriate ALA staff members whose work will be affected by those practices. Copies of Operational Practices

equipment procurement services; distribution and mail services; telecommunications and IT infrastructure; human resources and recruitment; membership and customer services; communication and media services; legal services; insurance services; library and information resources and archive services. ALA Divisions must be housed in properties owned or leased by the Association.

Divisions are governed by prevailing ALA fiscal policies and procedures related to dues (ALA Bylaws, Article I, Section 2; Article VI, Section 6) and Council actions with fiscal implications for Divisions (ALA Policy A.4.2.2). Divisions shall participate in formulating and revisim()Tj-0.002 Tc tn2 (an)2.3 (d)2.

- b. Projects and activities of the Divisions except as specified in this agreement
- c. Membership group support (governance: boards, committees, etc.)
- d.

Board at least two years in advance of the anticipated meeting date following a prescribed proposal outline. ALA state and regional chapters in the geographical area of a proposed conference shall be notified in writing of a desired conference prior to submitting the request to the Executive Board. Such notice shall seek the cooperation of the chapters with respect to scheduling and programming to the extent feasible. The Division shall contact the host Chapter prior to determining date availability with the host city. The Division shall contact the chapters in the geographical area immediately after determining date availability with the host city. In the event of a conflict with the ALA state or regional chapters and the proposed Divisional conference, the ALA Executive Board shall make the decision in consultation with the chapters and Divisions.

ALA provides the support necessary for Divisions to conduct business and plan and present Conference programs. Some Conference program costs may be borne by the Division except for financial support for staffing and equipment as described in ALA Policy A.4.3.4.5, Sect