SWAN BOARD MEETING AGENDA
800 Quail Ridge Drive, Westmont IL 60559

AGENDA April 12, 2019 - Time 9:30 a.m.
Conference Room
630.326.7022

1. Call to Order, Roll Call

2. Introduction of Visitors/Public Comment

    Public comment is allowed at SWAN meetings

3. Action Item – Acceptance of the April 12, 2019 SWAN Board Meeting Agenda

    RESOLVED, THAT THE SWAN BOARD ACCEPTS THE APRIL 12, 2019 SWAN BOARD
    MEETING AGENDA AS PRESENTED

4. Action Item – Approval of SWAN Financials, March 2019 (Exhibit pgs. 3-9)

    a. Balance sheet and detail of expenditures for March 2019
    b. Approval of the payment of bills for March 1, 2019 through March 31, 2019 in the
        amount of $182,462.70
        RESOLVED, THAT THE SWAN BOARD APPROVES THE PAYMENT OF BILLS FOR MARCH 1
        THROUGH MARCH 31, 2019 AND ACCEPTS THE BALANCE SHEET AND DETAIL OF
        EXPENDITURES FOR MARCH 2019

5. Action Item – Acceptance of the March 15, 2019 SWAN Board Meeting Minutes (Exhibit pgs.
    10-13)

    RESOLVED, THAT THE SWAN BOARD ACCEPTS THE MARCH 15, 2019 SWAN BOARD
    MEETING MINUTES AS PRESENTED

6. Reports
    a. Board President Report
    b. Executive Director Report (Exhibit pgs. 14-17)
    c. Operations Report (Exhibit pgs. 18-24)
    d. Treasurer Report
    e. Board Calendar (Exhibit pgs. 25-27)

7. Action Item – Approve Eisenhower Public Library District as SWAN Cataloging Library (Exhibit
    p.28)

8. Discussion Item – Legal Opinion on SWAN 501(c) 3 Conversion (Exhibit pgs. 29-34)

9. Discussion Item -- Executive Director Evaluation Form (Exhibit pgs. 35-39)

10. Next Board Meeting
    The next SWAN Board Meeting will be held on May 17, 2019 at SWAN Quail Ridge at 9:30 a.m.

11. Adjournment

*All agenda items may be acted upon by the SWAN Board

SWAN Board Member	Library	Office	Term Expires
Jamie Bukovac	Indian Prairie Public Library	Treasurer	July 1, 2020
Julie Milavec	Downers Grove Public Library		July 1, 2021
Ted Bodewes	Thomas Ford Memorial Library	President	July 1, 2020
Stacy Wittmann	Eisenhower Public Library District	Vice President	July 1, 2021
Rich Wolff	Tinley Park Public Library		July 1, 2019
Doug Losey	Hillside Public Library		July 1, 2019
Tiffany Verzani	Elmwood Park Public Library	Secretary	July 1, 2019

March 2019	YTD Actual	FY19 Revised Budget	75%
Revenues	2,416,184.06	3,114,401.00	78%
Expenses	2,380,626.71	3,184,484.00	75%
Excess of Revenues over (under) Expenses	35,557.35	(70,083.00)	

	Balance End Of Month		Average Interest Rates & Interest Earned during March	
Assets				
Cash & cash equivalents				
Cash- MaxSafe	1,578,446.96		2.560%	$ 3,424.49
Cash- Hinsdale Bank Checking	504,757.97		0.000%	$ -
Total Cash & cash equivalents	2,083,204.93		Investment Income	$ 3,424.49
ProPay Funds				
ProPay Funds	88.18			
Total ProPay Funds	88.18			
Accounts receivables				
Accounts Receivable	45,084.07			
Total Accounts receivables	45,084.07			
Prepaid expenses				
Deposits	23,467.08			
Prepaid Expenses	158,351.12			
Total Prepaid expenses	181,818.20			
Capital assets, net				
Building And Improvements	6,895.00			
Equipment	36,500.50			
Computers	324,383.36			
Accumulated Depreciation	(302,788.28)			
Total Capital assets, net	64,990.58			
Other Assets				
Deferred Outflows - OPEB	6,383.00			
Total Other Assets	6,383.00			
Total Assets	2,381,568.96			
Liabilities				
Payroll				
Salaries Payable	35,441.55			
PR Tax Withheld Payable	11,208.50			
Retirement Payable	6,578.92			
PR Tax Expense Payable	3,702.02			
Total Payroll	56,930.99			
Other Postemployment Benefits				
Postemployment Benefits	36,924.00			
Total Other Postemployment Benefits	36,924.00			
Deferred revenue				
Deferred Revenue	36,051.15			
Deferred Revenue - MAGIC Fee Supplement Grant	220,615.00			
Total Deferred revenue	256,666.15			
Compensated absences				
Compensated Absences	82,948.91			
Total Compensated absences	82,948.91			
Facilities				
Rent Payable	51,056.93			
Total Facilities	51,056.93			
Other liabilities				
Deferred Inflows - OPEB	3,954.00			
Total Other liabilities	3,954.00			
Total Liabilities	488,480.98			
Net Assets				
Beginning Net Assets				
Unrestricted	1,857,530.63			
Total Beginning Net Assets	1,857,530.63			
Current YTD Net Income	35,557.35			
Total Net Assets	1,893,087.98			
Total Liabilities and Net Assets	2,381,568.96			

		Current Month Actual	Current Month Revised Budget	YTD Actual	YTD Revised Budget	Total Revised Budget	Percent of Annual Budget	General Ledger Line Item Detail
Revenue								
4050	**Other Grants**	312.23	100.00	75,424.26	900.00	1,200.00	6,285.35%	RAILS New 19 LLSAP Grant Revenues for Remainder of First Year OCLC Fees and NCOA Fees, a Portion of the RAILS Green Hills Grant, as well as the RAILS SWANstravaganza Grant
4060	**Fees For Services And Materials**	205,101.83	206,601.00	1,845,916.47	1,848,916.00	2,468,716.00	74.77%	SWAN Quarterly, Annual, and Semi-Annual Fees
4061	**Internet & Enhanced Access Fees**	353.79	608.00	5,306.87	5,472.00	7,300.00	72.69%	SWAN Annual Internet Access Fees
4070	**Reimbursements**	0.00	2,542.00	11,697.26	22,878.00	30,500.00	38.35%	Member Reimbursements for SWANstravaganza Meals and SWANstravaganza Vendor Table Registration Fees
4071	**Reimbursements - Lost Materials**	10.45	0.00	(12.41)	0.00	0.00	0.00%	Reciprocal Borrowing and ILL Losses
4072	**Reimbursements - Collection Agency Fees**	0.00	75.00	100.00	675.00	900.00	11.11%	Reciprocal Borrowing and ILL Loss Collection Agency Fees
4075	**Group Purchase Receipts**	0.00	0.00	1,254.15	0.00	0.00	0.00%	Credit Card Swipes and Envisionware Subscriptions for Members
4080	**Investment Income**	3,424.49	567.00	27,258.76	5,103.00	6,800.00	400.86%	Interest
4090	**Other Revenue**	49,915.44	49,916.00	449,238.70	449,238.00	598,985.00	74.99%	RAILS Support to SWAN
Total Revenue		259,118.23	260,409.00	2,416,184.06	2,333,182.00	3,114,401.00	77.58%	
Expenses								
5000	**Library Professionals**	37,105.65	37,370.00	248,534.46	249,152.00	323,900.00	76.73%	Staff Salaries
5010	**Other Professionals**	80,628.12	111,310.00	580,480.53	742,076.00	964,700.00	60.17%	Staff Salaries
5020	**Support Services**	36,096.89	29,790.00	213,863.08	198,614.00	258,200.00	82.82%	Staff Salaries
5025	**Vacation Expense**	0.00	0.00	0.00	0.00	2,800.00	0.00%	Compensated Absences for Vacation Time Accrued
5030	**Social Security Taxes**	11,135.81	13,660.00	75,790.57	91,076.00	118,400.00	64.01%	Social Security Taxes
5050	**Worker's Compensation**	245.17	183.00	2,569.99	1,647.00	2,200.00	116.81%	Worker's Compensation Insurance
5060	**Retirement Benefits**	14,747.73	16,340.00	100,544.19	108,924.00	141,600.00	71.00%	Retirement Benefits and Retirement Plan Fees
5070	**Health, Dental, Life And Disability Insurance**	37,813.14	19,358.00	160,953.97	174,222.00	232,300.00	69.28%	Health, Dental, Life & Disability Insurance
5080	**Other Fringe Benefits**	0.00	208.00	0.00	1,872.00	2,500.00	0.00%	Tuition Reimbursements
5085	**Wellness Benefits**	0.00	425.00	1,788.60	3,825.00	5,100.00	35.07%	Staff Wellness
5100	**Recruiting**	0.00	75.00	248.60	675.00	900.00	27.62%	Background Checks and Job Postings
5110	**Print Materials**	283.64	667.00	4,062.57	6,003.00	8,000.00	50.78%	Printed Materials Including SWAN Branded Items for SWANstravaganza (partially offset by GL Account #'s 4050 and 4070) as well as Branded Calendars for Members and Branded Items for Green Hills Go-Live
5130	**E-Resources**	0.00	42.00	0.00	378.00	500.00	0.00%	ALA TechSource Subscription

		Current Month Actual	Current Month Revised Budget	YTD Actual	YTD Revised Budget	Total Revised Budget	Percent of Annual Budget	General Ledger Line Item Detail
5140	Rent/Lease	8,825.31	8,420.00	85,823.10	75,780.00	101,044.00	84.93%	Facility Lease (Including Tenant's Share of Real Estate Taxes, Operating Expenses, and Insurance)
5150	Utilities	479.08	450.00	4,369.76	4,050.00	5,400.00	80.92%	Gas and Electric
5160	Property Insurance	123.00	123.00	1,107.00	1,107.00	1,476.00	75.00%	Flood Insurance
5170	Repairs And Maintenance	177.00	17.00	531.00	153.00	200.00	265.50%	Key Fob Maintenance and Other Facility Maintenance
5180	Custodial/Janitorial Service And Supplies	733.06	708.00	7,125.10	6,372.00	8,500.00	83.82%	Cleaning Services and Supplies
5190	Other Buildings and Grounds	0.00	8.00	150.00	72.00	100.00	150.00%	Security Camera Surveillance Subscription
5250	In-State Travel	71.59	183.00	1,540.89	1,647.00	2,200.00	70.04%	In-State Travel
5260	Out-Of-State Travel	0.00	917.00	727.07	8,253.00	11,000.00	6.60%	Out-of-State Travel
5270	Registrations And Meeting, Other Fees	361.08	242.00	2,691.46	2,178.00	2,900.00	92.80%	Snacks, Supplies, and Lunches for Meetings and Staff Events
5280	Conferences And Continuing Education Meetings	695.00	1,167.00	21,457.48	10,503.00	14,000.00	153.26%	Sirsi Dynix Training, Staff Conference and Class Registrations, Usability Study Participant Gift Cards, and Swanstravaganza Expenses (partially offset by GL Account #'s 4050 and 4070)
5300	Liability Insurance	749.50	742.00	6,722.72	6,678.00	8,900.00	75.53%	General Liability, Crime, Cyber Crime, and D&O Insurance
5310	Computers, Software And Supplies	3,638.48	5,207.00	21,500.04	46,863.00	62,481.00	34.41%	Computer, Software, and Supplies under $5,000 Individual Cost as well as Subscriptions for Adobe Creative Cloud, Adobe Acrobat Pro, LastPass, Microsoft Office 365, Panda Security, SendGrid Email Delivery System, Snagit Software, Envisionware Subscription, Asana Project Management, Go To Assist Software, Avangate Installer Software, StatusCake System Monitoring, Microsoft pfSense Usage, and Microsoft Azure
5320	General Office Supplies And Equipment	311.25	750.00	1,489.25	6,750.00	9,000.00	16.54%	Office Supplies and Equipment under $5,000 Individual Cost Including Coffee
5330	Postage	10.00	75.00	62.06	675.00	900.00	6.89%	Postage
5380	Telephone And Telecommunications	1,586.84	1,675.00	13,542.61	15,075.00	20,100.00	67.37%	Phone, Chat, and Internet
5390	Equipment Rental	0.00	308.00	2,962.93	2,772.00	3,700.00	80.07%	Copier Lease and Usage

		Current Month Actual	Current Month Revised Budget	YTD Actual	YTD Revised Budget	Total Revised Budget	Percent of Annual Budget	General Ledger Line Item Detail
5400	Equipment Repair And Maintenance Agreements	47,050.22	40,973.00	442,159.80	368,761.00	491,683.00	89.92%	Sirsi Dynix Annual Maintenance, Sirsi Dynix eRC Connector, SMS Notifications, Sirsi Dynix JavaScript Enhancement, Sirsi Dynix Server Upgrade, EBSCO Open Athens Subscription, EBSCO Discovery Subscription, VM Software License Costs, Dell Warranty, Lenovo Warranty, Sonicwall Maintenance, Smartnet Maintenance, NetGate Support, and Linux Software Maintenance
5410	Legal	612.50	150.00	948.50	1,350.00	1,800.00	52.69%	Legal Fees
5420	Accounting	0.00	833.00	5,200.00	7,497.00	10,000.00	52.00%	Audit and Actuary Expenses
5430	Consulting	284.17	5,425.00	37,382.53	48,825.00	65,100.00	57.42%	Stategic Planning Consulting, Management Association Costs, and Benchmarking
5435	Payroll Service Fees	259.92	317.00	2,570.90	2,853.00	3,800.00	67.65%	Paylocity Payroll Service Fees
5440	Contractual Staff	0.00	200.00	1,400.00	1,800.00	2,400.00	58.33%	Answering Service Costs
5450	Information Service Costs	23,148.50	22,767.00	206,155.71	204,903.00	273,200.00	75.45%	Formsite Membership Costs, OCLC Fees, Authority Processing, Syndetic Reviews, SSL Certificate Costs, Survey Monkey Subscription, MailChimp Subscription, ALA RDA Toolkit, and EBSCO Novelist Subscription
5460	Contract Agremt W/ Systems, Member Libraries & Cooperatives	0.00	0.00	69,969.50	0.00	0.00	0.00%	RAILS New 19 LLSAP Grant Expenses for Remainder of First Year OCLC Fees and NCOA Costs, and RAILS Green Hills Grant Expenses
5480	Other Contractual Services	1,983.39	1,842.00	26,531.79	16,578.00	22,100.00	120.05%	Unique Management Placements, Monthly Notice Printing, NCOA Costs not covered by the RAILS New 19 Grant, and HR Source Support Costs
5485	Group Purchases	594.15	0.00	1,305.65	0.00	0.00	0.00%	Credit Card Swipes and Envisionware Subscriptions for Members
5490	Depreciation	2,847.29	0.00	25,625.61	0.00	0.00	0.00%	Monthly Depreciation Expense
5500	Professional Association Membership Dues	0.00	33.00	250.00	297.00	400.00	62.50%	Professional Memberships for SWAN and Staff
5510	Miscellaneous	0.00	83.00	438.70	747.00	1,000.00	43.87%	Member Overpayments and Double Payments to be Reimbursed as well as Reciprocal Borrowing and Vendor Adjustments from Prior Years
5515	Miscellaneous - E-Commerce Fees	0.58	0.00	48.99	0.00	0.00	0.00%	Fees for SWAN ProPay Account Used for Testing
Total Expenses		312,598.06	323,043.00	2,380,626.71	2,421,003.00	3,184,484.00	74.76%	
Excess of Revenues over (under) Expenses		(53,479.83)	(62,634.00)	35,557.35	(87,821.00)	(70,083.00)		

Effective D...	Vendor Name	Transaction Description	Check Amount
3/4/2019	ICMA Retirement Corporation	Retirement Deduction and Contribution:March 2, 2019 Payroll	4,915.91
3/4/2019	ICMA Retirement Corporation	Retirement Deduction and Contribution:March 2, 2019 Payroll	1,563.01
3/5/2019	Bensenville School District #2	Reciprocal Borrowing for January 2019	(718.99)
3/7/2019	Paylocity Corporation	Net Wages: March 2, 2019 Payroll	35,687.36
3/7/2019	Paylocity Corporation	Payroll Taxes: March 2, 2019 Payroll	14,969.59
3/8/2019	Paylocity Corporation	Payroll Service Fees: March 2, 2019 Payroll	100.83
3/12/2019	BuildingStars	Cleaning Service-March 2019	598.00
3/12/2019	Cintas #769	Mats for Doorway Entry	96.20
3/12/2019	Claudia Nickson	Travel Reimbursement	49.48
3/12/2019	Emergent LLC	Annual Renewal Server License and maintenance	1,558.07
3/12/2019	HR Source	Benchmarking for Data Analyst	200.00
3/12/2019	Imperial Surveillance, Inc.	Key Fob Service Feb-May 2019	177.00
3/12/2019	Jessica Crystal Vega	Travel Reimbursement	22.11
3/12/2019	Klein, Thorpe and Jenkins, Ltd.	Legal services from Sept 2018-OMA	462.00
3/12/2019	Klein, Thorpe and Jenkins, Ltd.	Legal Services for January 2019	150.50
3/12/2019	Limricc-Phip	Health Insurance for February 2019	23,458.59
3/12/2019	Limricc-Phip	Health Insurance for March 2019	21,769.58
3/12/2019	Wellness Insurance Network-WIN	Life Insurance for March2019	186.20
3/12/2019	Marcive Inc	Authority Processing for February 2019	389.10
3/12/2019	Reliance Standard Life Insurance Co	LTD/STD for March 2019	890.18
3/12/2019	Service Forms and Graphics, Inc	Double sided restick rolls	212.23
3/12/2019	Unique Management Services, Inc.	Placements for February 2019	17.90
3/12/2019	Unique Management Services, Inc.	Notice Printing for February 2019	1,965.49
3/14/2019	Bensenville School District #2	January 2019 Billing Revised	14.16
3/15/2019	First Bankcard	March 2019 Credit Card Payment of Jan./Feb. Balances	312.23
3/15/2019	First Bankcard	March 2019 Credit Card Payment of Jan./Feb. Balances	5,250.63

Effective D...	Vendor Name	Transaction Description	Check Amount
3/18/2019	ICMA Retirement Corporation	Retirement Deduction and Contribution:March 16, 2019 Payroll	4,915.91
3/18/2019	ICMA Retirement Corporation	Retirement Deduction and Contribution:March 16, 2019 Payroll	1,563.01
3/20/2019	Comcast	Internet Service 3/15-4/14/19	1,255.00
3/20/2019	Nicor Gas	Gas use 2/13-3/14/19	195.55
3/21/2019	Paylocity Corporation	Net Wages: March 16, 2019 Payroll	35,689.13
3/21/2019	Paylocity Corporation	Payroll Taxes: March 16, 2019 Payroll	14,987.88
3/22/2019	Paylocity Corporation	Payroll Service Fees: March 16, 2019 Payroll	159.09
3/25/2019	Quail Ridge Drive Investors, LLC	March 2019 Rent Payment	9,116.24
3/27/2019	ComEd	Electric 2/19-3/20/19	283.53
		Total 1003 - Cash- Hinsdale Bank Checking	182,462.70
Report Total			**182,462.70**

SWAN BOARD MEETING MINTUES
800 Quail Ridge Drive, Westmont IL 60559

March 15, 2019

1. **Call to Order, Roll Call**

   President Bodewes called the meeting to order at 9:31 a.m. The following Board members were present to establish a quorum.
   a. Ted Bodewes
   b. Doug Losey
   c. Julie Milavec
   d. Tiffany Verzani
   e. Rich Wolff

   Wittmann and Bukovac were absent.

2. **Introduction of Visitors/Public Comment**

   Edith Craig, Saint Charles Public Library
   Dawn Bussey, Glen Ellyn Public Library
   David Sieffert, Bensenville Community Public Library
   Aaron Skog, SWAN Executive Director

   There was no public comment.

3. **Action Item**

   Acceptance of the March 15, 2019 SWAN Board Meeting Agenda

   Wolff moved, seconded by Losey that it be

   > RESOLVED, THAT THE SWAN BOARD ACCEPTS THE MARCH 15, 2019 SWAN BOARD MEETING AGENDA AS PRESENTED

   Motion carried by unanimous voice vote.

4. **Action Item**

   Approval of SWAN Financials, February 2019

   Wolff moved, seconded by Milavec that it be

   > RESOLVED, THAT THE SWAN BOARD APPROVES THE PAYMENT OF BILLS FOR FEBRUARY 1 THROUGH FEBRUARY 28, 2019 AND ACCEPTS THE BALANCE SHEET AND DETAIL OF EXPENDITURES FOR FEBRUARY 2019

Motion carried by roll call vote with the following results:
Ayes: Milavec, Bodewes, Losey, Verzani, Wolff

5. **Action Item**

   Acceptance of the February 5, 2019 SWAN Committee of the Whole Meeting Minutes

   Verzani moved, seconded by Milavec that it be

   > RESOLVED, THAT THE SWAN BOARD ACCEPTS THE FEBRUARY 5,2019 SWAN COMMITTEE OF THE WHOLE MEETING MINUTES AS PRESENTED

   Motion carried by unanimous voice vote.

Note: Item # 2 Introduction of Visitors – correction: last name for Jane ~~Jensen~~ Jenkins.

6. **Action Item**

   Acceptance of the February 15, 2019 SWAN Board Meeting Minutes

   Wolff moved, seconded by Losey that it be

   > RESOLVED. THAT THE SWAN BOARD ACCEPTS THE FEBRUARY 15, 2019 SWAN BOARD MEETING MINUTES AS PRESENTED

7. **Reports**

   a. **Board President Report**

      Bodewes thanked Milavec for doing the Committee of the Whole Strategic Planning Presentation. The Quarterly Meeting was good. Having SWAN staff present was very helpful, putting faces to names. It was a good Quarterly meeting for a lot of reasons.

   b. **Executive Directors Report**
      The Delivery Label Automation was shown and discussed. It has been well received amongst the libraries. Skog has an ongoing discussion with Attorney regarding 501c3. Hopefully will have updates in April, if not by May.

      Some discussion and questions arose:

      Losey: If SWAN becomes 501c3 will that change the IMRF option. Skog replied: It could become opened again but once you are in, you can never leave again. If the board wants to look at that again, we could. We can put on the check list.

Edith Craig: Who are the 8 people on the Clarity Task Force. Skog replied he does not have that yet. The first meeting will be April 3rd. Once the agenda is posted, the people will be listed at that point.

Skog indicated we are doing an investigation into a group called BLUEcloud Acquisitions. Amanda Kieser (SCD) and Rebecca Bartlett (LGS) discussed with Skog. Goal is to get in early while it is still in development. We feel there is enough going on with acquisitions in SWAN so we want to have a hand in the direction it is going.

Wolff: Budget question: Board Financials Sum of the outstanding: is it greater the $100,00.00? Skog will get information for the Board.

Cataloging Advisory Meeting had over 40 people. Scott Brandwein discussed what they are looking at as far as cataloging standards. A lot of great questions were asked. The quarterly meeting had some discussion on the "purge". Bodewes wished it was uniform.

Wolff: There is a lot of confusion between what is Find More & Explore More. Wolff commented on how SWAN needs to be more proactive. When does SWAN take control of the message. It is unclear what the message is from RAILS. Try to get our information out from our prospective on it. Skog commented he can give more information at the next Quarterly Meeting. Wolff would like to see Skog stay on it and get ahead of the game. Protect our interest, protect SWAN. Wolff would like to see more information in the SWAN Newsletter.

Membership Realignment – No issues/concerns from the board. Wolff commented on the strong Management team SWAN has.

c. **Operations Report**
   No further discussion

d. **Treasurer Report**
   No report

e. **Board Calendar**
   No further discussion

8. **Action Item**

   Ratify the FY20 Budget

   Wolff moved, seconded by Verzani that it be

   RESOLVED THAT THE SWAN BOARD APPROVES TO RAFITY THE FY20 BUDGET

   Motion carried by unanimous voice vote.

9. **Action Item**

   Set Personnel Committee Meeting Date
   April 12th

10. **Action Item**

   Approve Revised Vendor Access Policy

   Bodewes moved, seconded by Wolff, that it be

   RESOLVED THAT THE SWAN BOARD APPROVES THE REVISED VENDOR ACCESS POLICY

   Motion carried by unanimous voice vote.

11. **Next Board Meeting**

   The next SWAN Board Meeting will be held on April 12, 2019 at SWAN Quail Ridge at 9:30 a.m.

12. **Adjournment**

   10:23 A.M.

Minutes Prepared by Ginny Blake

Respectfully Submitted,

_____

Tiffany Verzani

Board Secretary

SWAN Executive Director Report

April 12, 2019

SWAN Board Election

The self-nominations are in! The five individuals below will be the slate of candidates for the three seats on the SWAN Board. The election will begin Monday, April 29 and end Friday, May 17 at 5 p.m.

>David Sieffert, Director Bensenville Community Public Library District
>Dawn Bussey, Director Glen Ellyn Public Library
>Edith G. Craig, Director St Charles Public Library District
>Jane Jenkins, Director Green Hills Public Library District
>Robin Wagner, Director South Holland Public Library

The online ballot is available starting Monday, April 29th.

SWAN Strategic Plan 2019-2023

Here are updates on the plan objectives.

Objective 1: Develop a Shared and Accurate Diagnosis of Member Dissatisfaction Around the Existing ILS and OPAC (Staff Interface and Online Catalog)

Guiding Principle
At this stage, the primary goals are gaining insight and developing a culture of collective ownership of problems.

Clarity Task Force
The group held its first meeting and Dawne Tortorella facilitated a discussion to help identify areas within the consortium that need attention or are working well. This included:

- Statistical reporting platform under BLUEcloud Analytics is confusing to library staff
- Symphony Acquisitions is inefficient for library staff
- Placing requests and being denied access to new material is confusing to patrons
- Patron complaints to library staff about not receiving notification is a constant, low-level issue
- SWAN support and meeting preparation get high marks; post-meeting information and sharing could be improved

These topics will be explored fully over the next several meetings. The [full meeting notes are posted online](#).

Objective 3: Reconstitute as a Mission Driven 501c3 with Clear Representative Governance Practices

Complete a 501c3 Conversion Study

Our attorney has completed the initial review of having SWAN convert from an Illinois Intergovernmental Instrumentality to a 501c3 entity. This 6-page letter is included as a discussion for the April 12, 2019 SWAN Board meeting. The letter addresses the following 8 topics:

1. SWAN as a public body (including OMA and FOIA)
2. Governance
3. Cost of converting to a 501c3 entity
4. Required tax filings
5. Grants
6. Donations
7. Employee benefits
8. Liabilities

Based on the letter, I recommend the following items should be discussed over several board meetings and included as part of the study.

1. SWAN as a "public body" and the role the SWAN organization has in providing services to public libraries/government entities (page 2)
2. Role of board governance in the 501c3 (pages 2-3)
3. Composition of the board— must not be "completely or mostly comprised of library employees or officials" (page 4)
4. Creating new bylaws (page 3)
5. Creating new service agreements, replacing existing intergovernmental agreements (page 3)
6. Filing and operations
   a. Filing IRS tax exempt status (page 4)
   b. Registering with Illinois Attorney General's Office (page 4)
   c. Selecting new 401a/401k provider as ICMA-RC could no longer be used (page 5)
   d. Additional D&O insurance purchased (page 5)
   e. Devise accounting structure for receiving grants and donations (page 4)

After these 6 areas are discussed and expanded upon as part of the study, I recommend a decision to proceed with 501c3 status be undertaken. The Objective 6 "Seek External Funding Options to Support the Research & Development Initiatives of SWAN," is an important aspect of the strategic plan which should be considered within the Objective 3.

Governance Study Committee

A draft of the written charge was discussed at the January and February 2019 SWAN Board meetings.

Objective 5: Strengthen the Collective Identity

Establish Vision & Direction of SWANx19 Event

The planning group for the annual SWAN event held two meetings and brainstormed on the event.

COSUGI 2019

Dawne Tortorella, Rudy Host, and Steven Schlewitt attended this year's Customers of SirsiDynix User Group, Inc. in Minneapolis. Steven presented at the conference "Controlled Chaos: How SWAN Managed an 18-month, 97-library ILS Infrastructure Migration to the Cloud" with a one-hour session recapping SWAN's Azure migration, the project planning process, and various system tools utilized throughout. Several aspects of the presentation were also shared with membership IT staff at the SWAN Technology Users Group Meeting. We have already heard from two consortia in attendance with interest in Azure.

The conference presented a great opportunity for networking, sharing of ideas, and review of progress on SirsiDynix product development. Steven and Rudy met with many SirsiDynix engineers that assisted with the Azure migration and that provide regular support to SWAN staff. They also discussed and compared infrastructure configurations with several other consortia in attendance. Additionally, they took away some in-house development ideas, including opportunities to refine the pull list process through a web interface and options for single sign-on (SSO) that could greatly improve the login experience across the system platform.

All three SWAN staff met with SirsiDynix staff for a private meeting to discuss the BLUEcloud Mobile implementation, the BLUEcloud Acquisitions pilot, and upcoming service changes to improve the patron text notification platform hosted by SirsiDynix.

Explore More Illinois & SWAN

Quipu and RAILS have signed the NDA with SWAN. RAILS has approved the SWAN Vendor Access Policy. The connection information for SWAN's SirsiDynix Web Services has been shared with RAILS on March 11th. However, Quipu will undertake some additional setup for participating libraries. RAILS Associate Executive Director Jane Plass indicated SWAN libraries would miss the April 1, 2019 launch, but would be added afterwards. I have requested clarification from RAILS on when SWAN libraries could expect participation to begin.

Monthly Financial Report

SWAN has received $596,405 (99%) of the total invoiced third quarter SWAN fees of $599,253.75.

SWAN has $33,976.24 total in outstanding fees. The libraries with outstanding prior and current period SWAN fees, as of March 31, 2019 include:

- Harvey – Owing $19,614.25 in total, which includes the first quarter of fiscal year 2019, fees for the last three quarters of fiscal year 2018, and $.25 remaining on one reciprocal borrowing billing. Please note that SWAN received payment from Harvey on October 18 for the second quarter fiscal year 2019 SWAN fees, and, as of February 7, SWAN also received payment for the third quarter fiscal year 2019 SWAN fees.
- Calumet Park – Owing $13,884.99 in total, which includes the first and third quarters of fiscal year 2019, the entire FY18 fees except for a portion of the first quarter, and six reciprocal borrowing billings. Please note that SWAN received payment from Calumet Park on November 5, 2018 for the second quarter FY19 SWAN fees. Also, after multiple contacts from the SWAN Executive Director and RAILS Finance over a long period of time, a staff member from Calumet Park reached out on January 17, 2019 to RAILS Finance to request information about the amount that their library owes SWAN. We have not received any additional payments as of March 31, 2019.
- Brookfield Zoo – Owing $477 in total, which includes four quarters of reciprocal borrowing billings. Please note that SWAN received payment from Brookfield Zoo on September 12, 2018 for the fourth quarter FY18 SWAN fees.

The annual Internet Access fees were billed out in late February, and SWAN has received payment for $2,122.75 (58%) of the total billed fees of $3,639 within one month of invoicing.

The interest rate continues to rise on the SWAN money market account. Between February and March, the rate increased from 2.54% to 2.56% with year-to-date interest projected to total more than $35,000.

SWAN Operations Report: April 12, 2019

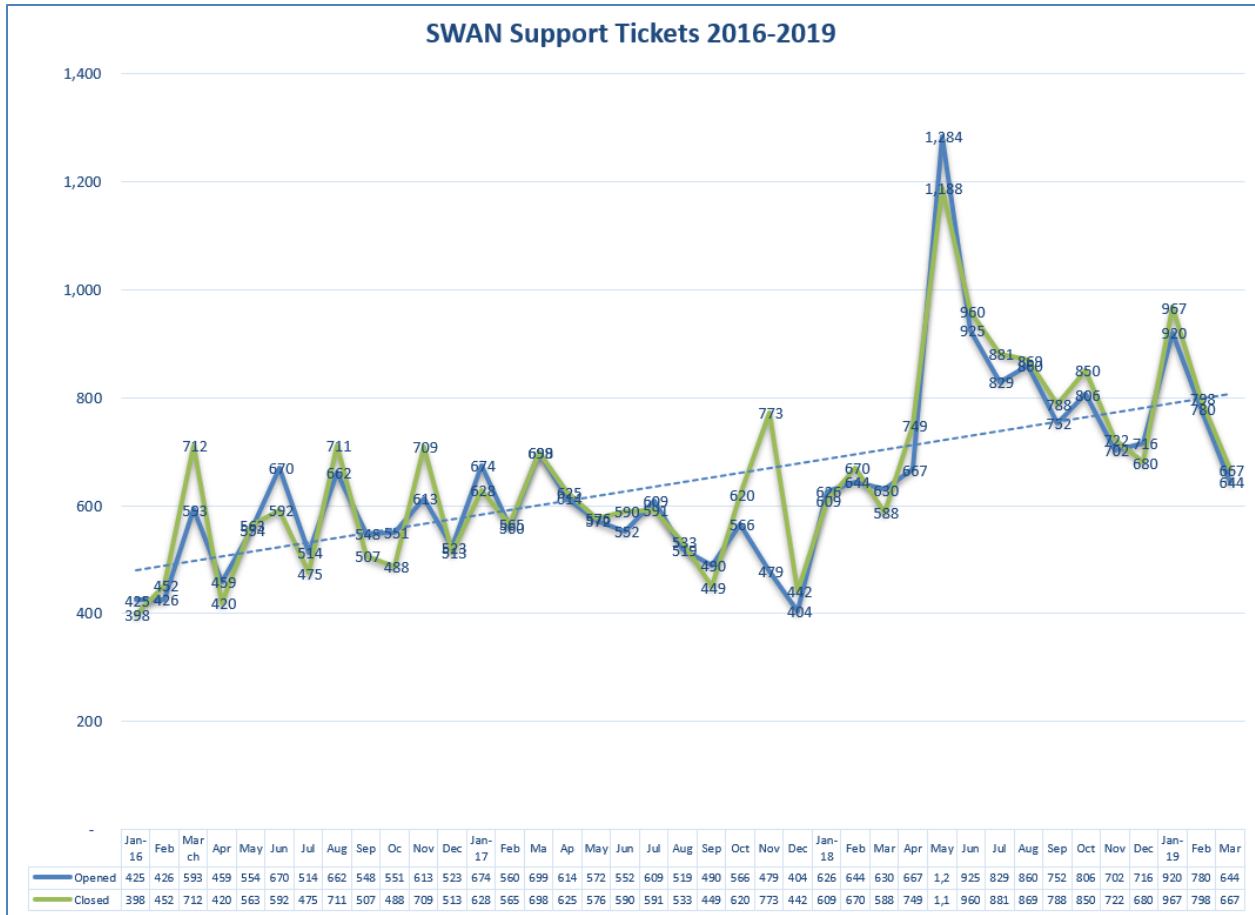## SWAN Assistant Director (Dawne Tortorella)

Admin Site Visits, Training, and Networking

During the past reporting period (March 11th – April 9th):

- 3/14 – Cataloging Advisory Meeting (Dawne)
- 3/20 – Circulation Advisory meeting (Dawne)
- 3/21 – CCS Site Visit (Aaron, Ginny, Dawne)
- 3/25-3/27 – COSUGI annual conference in Minneapolis, MN (Dawne)
- 3/28 – Discovery & User Experience (DUX) Advisory Group Meeting at OBD (Dawne)
- 4/2 – SWANx19 Planning Group (Aaron, Ginny, Lauren, Steven, Rudy, Crystal)
- 4/3 – Clarity Task Force (Aaron, Dawne, Scott, Steven)
- 4/4 – OCLC WorldCat Discovery and WSILL (Dawne)
- 4/5 – Open Lab – OCLC Configuration & Setup (Dawne)
- 4/8 – Cataloging Automation Discussion OLS (Aaron, Dawne)
- 4/9 – Outreach Consultation GED (Crystal)

March showed a drop in the number of tickets opened which was our hopeful expectation upon completion of major projects and system stability. During the month of March 644 tickets were opened and 767 closed. As of April 7th, 68 tickets were unresolved.

Management of the ticketing system will be transitioning to Information Technology and System Support Services under Steven Schlewitt's management. Since December 2017, we have concentrated efforts on responsiveness and closing tickets more quickly. The next phase includes a review of ticket category segmentation, assignment of all users to their respective libraries for accurate library reporting, and escalation of problems. This change in direction supports our goal of providing more pro-active problem solving and solution sharing with the membership.

SWAN Support Tickets 2016-2019

	Jan-16	Feb	March	Apr	May	Jun	Jul	Aug	Sep	Oc	Nov	Dec	Jan-17	Feb	Ma	Ap	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan-18	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan-19	Feb	Mar
Opened	425	426	593	459	554	670	514	662	548	551	613	523	674	560	699	614	572	552	609	519	490	566	479	404	626	644	630	667	1,2	925	829	860	752	806	702	716	920	780	644
Closed	398	452	712	420	563	592	475	711	507	488	709	513	628	565	698	625	576	590	591	533	449	620	773	442	609	670	588	749	1,1	960	881	869	788	850	722	680	967	798	667

SWANx19 Planning

The SWANx team sent out a call for proposals on March 18th
https://support.swanlibraries.net/news/2019-03/66596. The Planning Group met to review proposals, discuss keynote, and logistics for the event. Requests for vendor sponsorship have gone out and we have received positive responses from several.

SWANx19 Planning Group Members:

- Joy Anhalt, TPS
- Mike Byrne, BIS
- Lauren Cantore Gonzalez, DGS
- Linda DuPree, BWS
- Christine Lees, DGS
- Jessica Nawrocki, FRS
- Aaron Skog, SWAN
- Ginny Blake, SWAN
- Rudy Host, SWAN
- Lauren Levaggi, SWAN
- Steven Schlewitt, SWAN

- Crystal Vela, SWAN

Meeting agenda, notes, and packets are available under the SWAN Support Site – Meetings & Documents, SWAN Annual Event Planning Group - https://support.swanlibraries.net/meetings-trainings/meeting-documents.

Strategic Planning – Clarity Task Force
The Clarity Task Force met on Wednesday, April 3rd to begin work on developing a shared diagnose of issues impacting the SWAN membership. Our first session reviewed the strategic plan, the role of the task force, and brainstorming to surface issues for further exploration and research. Agenda, packets, and notes are available on the SWAN Support Site Meetings & Documents - https://support.swanlibraries.net/meetings-trainings/meeting-documents.

Resource Sharing
Grant Halter developed a BLUEcloud Analytics dossier/dashboard for compiling the ILLINET Interlibrary Loan and Reciprocal Borrowing Statistical Survey (ILLINET Traffic Survey) - https://support.swanlibraries.net/documentation/66632.

Helen Pinder has designed a reciprocal borrowing detailed statement for non-SWAN libraries, generating through BLUEcloud Analytics which will provide a single statement for libraries with amount owed and corresponding item/patron detail for charges. Helen continues to work closely with Chicago Public Library in reconciling patron records and charges, as well as other reciprocal libraries requesting monthly reports of overdue items for their patrons. This work helps identify overdue items pro-actively with our reciprocal partners before items are billed to the patron and their home library.

Collaborative Projects
We were happy to see members of our library community at COSUGI (Joy Anhalt-TPS, Martyn Churchouse-OPS, Julie Tegtmeier-SCD, Peggy Tomzik-ESS). These library partners and people will be involved with helping to review the BLUEcloud staff client (BLUEcloud Acquisitions, BLUEcloud Cataloging, and BLUEcloud Circulation). SWAN and selected members will be joining SirsiDynix' Strategic Partners Program (SPP) for these products. While not ready to release to the SWAN membership, our collective involvement in product evaluation and feedback is critical.

SWAN Bibliographic Services (Scott Brandwein)

Bibliographic Services Team Site Visits, Training, and Networking
During the past reporting period (March 11th – April 9th):

- 3/14 – Cataloging Advisory Group (Full Team)
- 3/18 – ESS Cataloging Library Interview (Scott, Claudia)
- 3/20 – Circulation Advisory Group (Sam)
- 3/28 – NUD Serials Discussion and Troubleshooting (Claudia, Sam)
- 4/4 – ESS Cataloging Library Orientation (Scott, Claudia)
- 4/5 – Consortia Cataloging Meeting with Illinois Consortia Catalogers (Scott, Dawne)

- 4/5 – FRS Pre-Cat/Serials Training (Claudia)
- 4/8 – Cataloging Automation Discussion OLS (Scott, Claudia, Sam)

Cataloging Advisory Meeting

The March 14th Cataloging Advisory Meeting generated a lot of topics for discussion. Most of the meeting was devoted to reviewing SWAN's drafts of two documents: *SWAN Core Minimum Cataloging Standards* and *Fields to Delete in Copy Cataloging*. The discussion raised a lot of questions to answer and ambiguities to resolve, so we will be continuing this conversation in a smaller-group format with staff from our cataloging libraries.

We also proposed a couple of options for dealing with Blu-Ray/DVD combo packs in the future. Both involved changes to our format vocabulary (590 field) and accompanying changes to how the search facet works in Enterprise. We will work out the details and present a completed proposal and plan of action at the next Cataloging Advisory Meeting on May 9th.

With the growth SWAN has experienced in the past year, we are rethinking our cataloging discussion group structure. In particular, we'd like to elicit more feedback from our Cataloging Libraries, a group that has tripled in size. We will announce any changes in the future, but for now, the Cataloging Advisory Group will meet as scheduled.

Eisenhower Public Library

As of April 8th, SWAN would like to welcome Eisenhower Public Library as the newest member of our OCLC Cataloging Libraries group. Eisenhower's Head of Technical Services, Victoria Bitters, has a history of valuable contributions and error-reporting within our catalog already. We believe she and her team will be a good fit for the group.

Error Resolution

SWAN has been experiencing two unusual recurring problems with our bibliographic data for quite some time now, but we've had breakthroughs on both this month. The first problem involved Dates Cataloged being removed from bibliographic records, seemingly at random. The Date Cataloged value helps us track errors and manage our pre-cat list. We discovered the source of this was a misleading setting in some bibliographic load report templates. They have been corrected, so this should not continue.

The second problem involved missing signature fields from full records. Cataloging Library and SWAN staff sign and date all records in this field, so we can track the source of cataloging, but these have been disappearing, also seemingly at random. The source of this issue is an Acquisitions report using settings required by Midwest Tape. We are currently in conversation with Midwest Tape to devise a workaround and stop this from happening. We hope to have it fully resolved in the coming days.

Cataloging Counts: SWAN Bibliographic Services

Counts do not include eighteen cataloging libraries. Original cataloging counts are new records created for SWAN and added to the OCLC WorldCat database. Copy cataloging counts are records downloaded from OCLC and added to SWAN's bibliographic database.

For March, there were 156 upgrades of minimal level records in OCLC to full records.

	Jan	Feb	Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Total
Orig 2017	96	132	169	131	133	209	266	184	96	195	93	112	**1,816**
Copy 2017	3,133	3,616	3,203	3,576	3,456	2,954	3,848	4,856	3,031	3,135	3,392	4,054	**42,254**
Orig 2018	122	89	147	70	119	148	118	167	116	209	194	92	**1,591**
Copy 2018	3,896	3,348	5,157	4,614	2,851	1,493	2,138	2,459	2,010	1,866	1,376	2,056	**33,264**
Orig 2019	126	82	106										
Copy 2019	2,565	1,952	1,939										

SWAN IT & System Support Services (Steven Schlewitt)

IT Team Site Visits, Training, and Networking
During the past reporting period (March 11th – April 9th):

- 3/12 – WMS visit for Acquisitions Pre-Rollover Meeting (Vickie)
- 3/14 – Cataloging Advisory meeting (Vickie)
- 3/20 – Circulation Advisory meeting (Vickie, Michael, Steven)
- 3/21 – SWAN Technology Users Group Meeting (Steven, Ian, Rudy, Michael, Dave, Vickie)
- 3/25-3/27 – COSUGI annual conference in Minneapolis, MN (Steven & Rudy)
- 3/28 – BLUEcloud Analytics (BCA) Open Lab Training (Vickie & Michael)
- 3/28 – Discovery & User Experience (DUX) Advisory Group Meeting at OBD (Ian & Michael)
- 4/1 – CSD visit to register MobileCirc client device (Ian & Michael)

SWAN Technology Users Group Meeting
Steven and the IT team hosted the Technology Users Group meeting on March 21st at RAILS in Burr Ridge. Ten libraries were represented at the meeting, where the Azure migration and transit slip projects were recapped, and mobile app implementations were discussed.

Refinement of internal procedures & documentation
With the addition of Dave, Michael, and Vickie to the Information Technology & System Support team and the revision of all associated roles, the team has been taking time to revise internal documentation and project tracking processes while acclimating the new additions. In the upcoming month, Steven plans to test several new procedures for membership support, which will include a standard weekly staff rotation and the refinement of ticket categories to provide better case metrics moving forward. The refinement of these processes and new staff training will be ongoing with the intention of finalizing new procedures by July.

Outage Tracking

Date	Time	Elapsed (Min)	Service	Planned?	Lib Hours?	Reason
3/31/2019	14:23	8	Enterprise	No	Yes	Web services outage following brief Symphony server load spike

SWAN User Experience (Tara Wood)

Update provided by Robin Hofstetter, Consultant – Electronic Resources

User Experience Team Site Visits, Training, and Networking

During the past reporting period (March 11th – April 9th):

- 3/12 – UX Team Learning Launch (Tara, Robin, Lauren, Crystal)
- 3/20 – Circulation Advisory (Crystal, Sam, Vickie, Tara, Dawne, Steven, Michael)
- 3/28 – Discovery & User Experience (DUX) Advisory Group Meeting at OBD (Robin, Lauren, Crystal)
- 4/9 – Outreach Consultation GED (Crystal)

Circulation

Crystal led the Circulation Advisory Meeting on March 20th. Highly Discussed topics were, hold wrappers, Book Club groups best practices; and checking out patrons without library cards practices. Crystal also presented at Quarterly earlier in March; where she gave an overview of topics covered at Circulation Advisory.

A "book club working group" representing cataloging, discovery/Enterprise, and circulation has been formed internally (Crystal, Scott, Tara, Sam, Vickie) to codify examples of how libraries are cataloging, surfacing, and circulation book club titles. This information will be shared at the advisory groups of each (Circulation Advisory, Cataloging Advisory, and DUX). We will work with member representatives to help develop uniform recommendations on how to best facilitate book club requests within our consortium. These recommendations will include how to catalog book club sets, when and what is appropriate when making requests for multiple copies within the consortium, and circulation loan guidelines.

BLUEcloud Mobile

With the BLUEcloud mobile release coming up, Lauren is working with Tara on creating promotional materials and documentation. This includes designing bookmarks and digital signage for library use and creating documentation on the patron facing website. She is also working with Tara to develop staff training for the mobile app.

Patron Site & Videos

Lauren is working on updating the patron website so there is more focus on new patrons and patron help. In addition to this, she is currently reorganizing and updating patron videos, and exploring more professional video hosting services outside of YouTube.

Continuing Education Class on User Experience & Research Design

The entire UX team (Tara, Robin, Lauren, Crystal) is working on a rigorous certification program in User Experience and Research Design. The program consists of 6 courses, each approximately 6 weeks in duration, culminating in a capstone project.

We are currently working on week 3 of the User Experience Research and Design course offered in Coursera from the University of Michigan. The courses are 100% online and the team has engaged in sessions together and on our own. The most recent homework included sketching design interfaces and a peer graded assignment.

Article Search – EBSCO Discovery Service

Robin has configured 70 libraries for full text research in Article Search. They are working steadily to finish the remaining libraries. The configuration includes: search limitations and expanders, full text retrieval only from library specific database subscriptions, OpenAthens authentication integration within Enterprise, additional library branding, detailed record landing page in EBSCOhost, SmartText link resolver, and additional tools on the sidebar.

Below is an example of the EDS landing page for the Crete Public Library where a search for "water" was initiated in Enterprise.

DATE	MEETING TYPE	ACTION ITEMS
Sunday, July 1, 2018		SWAN FY19 Budget goes into effect.
Friday, July 20, 2018	Regular SWAN Board Meeting	Elect Officers: President, VP, Treasurer, Secretary & Complete Signature Card Changes for Bank Accounts. OMA Officers must complete training. Nominate for committees. Board self-evaluation.
Wednesday, August 1, 2018		LLSAP Grant application package due to RAILS
Friday, September 21, 2018	Regular SWAN Board Meeting	Closed session minutes 6 month review
August–September 2018		RAILS reviews LLSAP grant applications and determines awards
Monday, October 1, 2018		RAILS responds with award letter and grant agreement
Friday, September 21, 2018	Regular SWAN Board Meeting	Identify SWAN policies to review. Review budget process timetable with SWAN Board.
Friday, October 12, 2018	Special SWAN Board Meeting	Strategic Plan: requires SWAN leadership agreement on desired future
Friday, October 19, 2018	Regular SWAN Board Meeting	Aaron begins work on FY20 budget, brings questions to SWAN Board if needed.
		Strategic Plan: requires SWAN leadership agreement on desired future
Thursday, November 1, 2018	Special SWAN Board Meeting	Strategic Plan: requires SWAN leadership agreement on desired future
		CWR presentation to SWAN Board remotely
Monday, November 5, 2018	Finance Committee	Aaron Skog and Treasurer review Budget; SWAN potential policies are reviewed.
Friday, November 16, 2018	Regular SWAN Board Meeting	Board accepts FY18 audit.
		Review Initial Tactical Plan: 1-year tactical plan created by CWR & SWAN ED
		Aaron to bring FY20 Budget draft; Board discuss Fees and determines next steps.
		Set Board approves meeting dates for 2019 calendar.

DATE	MEETING TYPE	ACTION ITEMS
Thursday, December 6, 2018	Quarterly	Announce FY20 Budget Process
		Present SWAN Strategic Plan
Friday, December 21, 2018	Regular SWAN Board Meeting	Review of FY20 Budget Draft.
		Approve FY20 LLSAP grant agreement
Tuesday, January 1, 2019		Signed LLSAP grant agreements due to RAILS
Friday, January 25, 2019	Regular SWAN Board Meeting	Review and recommend draft of SWAN Budget for Membership presentation. Set COW date for February for membership review.
		Recommend Draft of SWAN Budget for Membership Presentation. Set Budget Meeting date for February for membership review? Review Succesion Plan for ED.
		SWAN Board reviews and adopts strategic plan.
January 2019 [TBD]	SWANcom	Board present draft budget to membership.
January 2019 [TBD]	SWANcom	Aaron Skog/Board announcement of draft budget to membership. Set February COW date and possible location of meeting.
Tuesday, February 5, 2019	Membership Meeting	Meeting to discuss FY20 budget, fees, and reserves worksheet.
		Present SWAN Strategic Plan
Friday, February 15, 2019	Regular	Incorporate changes, suggestions to SWAN budget. Create recommendation to membership. SWAN Board Election Process Review.
		Review Board Election Timetable.
		Yearly review of SWAN Bylaws; establish committee if needed.
		Closed session minutes 6 month review.
Thursday, March 7, 2019	Quarterly	Roll call vote to approve SWAN budget. Announce Board election process.

SWAN
Calendar-Timetable of Deadlines and Board Action Requirements

DATE	MEETING TYPE	ACTION ITEMS
Friday, March 15, 2019	Regular SWAN Board Meeting	Determine if Finance/Personnel Committee meeint is needed.
March 2019 [TBD]	Finance Committee/ Personnel Committee Joint [if needed]	SWAN potential policies are reviewed. Yearly Employee Handbook review based on employment law requirements/recommendations.
Friday, April 19, 2019	Regular SWAN Board Meeting	RAILS provides FY20 consortial support grant applications to consortia.
		Review and approve Board Self Evaluation Form; assign date for completion.
		Review proposed Bylaws changes (if any). Vote on recommendation to membership; send out SWANcom notification of amendment.
May 2019 [TBD]	SWANcom	Announce election info.
Friday, May 17, 2019	Regular SWAN Board Meeting	Review Board Self-Evaluation Results.
		Director Evaluation - Review document in preparation to complete for June. Assign deadline for completion.
Thursday, June 6, 2019	Quarterly	Board Election Results. Vote on Bylaw amendments (if any).
Friday, June 14, 2019	Regular SWAN Board Meeting	Review/Write Off Allowance for Doubtful Accounts
		Director Evaluation - Provide results and discuss (Executive Session).
Sunday, June 30, 2019		OCLC State-wide Group Services Agreement Ends
Monday, July 1, 2019		FY20 RAILS LLSAP grant payments and in-kind services begin
Friday, July 19, 2019	Regular SWAN Board Meeting	Elect Officers: President, VP, Treasurer, Secretary & Complete Signature Card Changes for Bank Accounts. OMA Officers must complete training. Nominate for committees. Board self-
Friday, January 31, 2020		FY20 LLSAP Grant semiannual reports due to RAILS

Recommendation to Add Victoria Bitters, Eisenhower Public Library District, as SWAN Cataloging Library Members

Introduction

Per the [SWAN policy Requirements for SWAN Cataloging Libraries](#), "If all… requirements are met and future obligations are agreed to, the SWAN member library seeking status as a SWAN Cataloging Library will contact the SWAN Bibliographic Services Manager directly. The SWAN Bibliographic Services Manager will make a recommendation to the SWAN Board for approval.

While the membership of the OCLC Cataloging Group has remained consistent for a long time, the Bibliographic Services team and I are interested in harnessing the talent of our membership by expanding this group. We welcome as many critical eyes as possible assisting with the workload and maintaining the integrity of our data.

The policy states, "Any financial incentives for the new cataloging library will begin in the next SWAN fiscal year." The SWAN Fees Committee recommended the elimination of the incentive, and this was accepted by the SWAN Board at its November 2017 meeting.

SWAN Bibliographic Services Manager Scott Brandwein Recommendation

I would like to recommend Victoria Bitters for membership in SWAN's Cataloging Library group: the group of member institutions with rights to contribute full-level original and copy cataloging to the SWAN bibliographic database.

Victoria is a cataloger with extensive experience in the software and practices required to maintain our standards. I have met with Victoria, provided SWAN training, and she meets all our qualifications.

I am confident that Victoria and her staff would be an asset to the expansion and maintenance of SWAN's catalog.

Scott Brandwein

Board Action

Resolved, the SWAN Board approves the addition of Eisenhower Public Library District effective May 1, 2019 as a SWAN Cataloging Library.

April 8, 2019

VIA E-MAIL
Aaron Skog, Executive Director
System Wide Automated Network
800 Quail Ridge Drive
Westmont, Illinois 60559
aaron@swanlibraries.net

      Re: **Converting SWAN Into A Nonprofit Entity**

Dear Mr. Skog:

You asked us to prepare a summary of the advantages and disadvantages of the System Wide Automated Network ("SWAN") converting from an intergovernmental agency into an Illinois nonprofit corporation exempt from income tax under Section 501(c)(3) of the Internal Revenue Code.[1] A summary of these matters is set forth below.

SWAN AS A PUBLIC BODY

Operating as an intergovernmental agency, SWAN is subject to the Illinois Freedom of Information Act ("FOIA"), the Illinois Open Meetings Act ("OMA," which together with the FOIA are the "Acts") and other laws applicable to intergovernmental agencies. Abiding by these two Acts, and other applicable laws, SWAN is required to share certain information with the public and provide the public an opportunity to attend certain of its meetings. Being subjected to these Acts adds burdens to SWAN operations, including costs, organizational issues, and allocations of resources that would be avoided if SWAN was not subject to them.

Converting SWAN into a nonprofit would potentially alleviate the need to comply with these Acts. However, SWAN will still be required to comply with the Acts if it remains a "public body," even if SWAN converts the legal form in which it exists from an intergovernmental agency into an Illinois nonprofit corporation.

In a recent Illinois Appellate Court case, *Chicago Tribune v. College of DuPage*, the Court examined the definition of "public body" and held that a nonprofit corporation, which claimed to be distinct from any branch of government, was a public body and, therefore, subject to the FOIA. 2017 IL App (2d) 160274, 79 N.E.3d 694. The College of DuPage ("College"), a public body, contracted with the College of DuPage Foundation ("Foundation"), a nonprofit corporation, to perform what the Court found to be a governmental function, which was to support the educational mission of the College by raising money to fund the College's academic

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[1] This correspondence references a conversion to a Section 501(c)(3) charitable organization per your direction. If SWAN obtained status as a charitable organization, it would be able to accept tax deductible donations from donors. If donations need to be tax-deductible, then SWAN should apply for Section 501(c)(3) status; otherwise, there would be no need to apply for the same. For purposes of this correspondence, we assume that SWAN believes that it will receive and/or solicit tax-deductible donations.

programs, capital programs, and student scholarships. According to the Court, because the Foundation provided a governmental function, it was a public body subject to FOIA, and had to respond to requests for public records, even though the Foundation was a nonprofit corporation.

In the *College of DuPage* case, the Chicago Tribune suggested defining "governmental function" as any conduct that is expressly or impliedly mandated or authorized by constitution, statute, or other law and that is carried out for the benefit of the general public." *Id.* at 707. The Court declined to use that definition, stating that it was too narrow, and instead chose to use "a fact-specific inquiry, with an eye toward the particular body's role and responsibilities and keeping in mind the specific act that it has contracted a third party to perform on its behalf." *Id.*

The fact-specific inquiry in *Chicago Tribune* looked at a variety of factors including: (1) the fact that the College had no private fundraising operation of its own and relied entirely on the efforts of the Foundation; (2) the fact that the Foundation created and stored all documents related to donations to the College and the Foundation; (3) the fact that the Foundation and College worked closely in determining goals and methods for fundraising instead of the College setting the same; (4) that the College provided office space, office furniture, and even College staff to the Foundation; (5) that the College President assumed a prominent role in the Foundation's activities, and was entitled to recommend an individual to serve as the executive director of the Foundation; and (6) that the Foundation was allowed to adopt the College's name, logo, and marketing brand. After finding all of these facts, the Court determined that the Foundation was closely intertwined with the College, and that symbiotic relationship made the Foundation nothing more than an extension of the College, and more specifically, it was enough to conclude that the Foundation was providing a governmental function and was therefore a public body subject to FOIA.

In an Iowa decision, *Gannon v. Board of Regents*, an Iowa taxpayer, using the Iowa FOIA, wanted to see records from the Iowa State University Foundation ("ISU Foundation"), a foundation that accepted, held, administered, invested, and dispersed gifts and grants for Iowa State University. 692 N.W. 2d 31 Iowa (2005). The ISU Foundation argued that it was not subject to FOIA because it was independently incorporated and not a subsidiary of Iowa State University, a public body. Like in *Chicago Tribune*, the Court analyzed the facts of the relationship between the ISU Foundation and Iowa State University. The Court recognized that the ISU Foundation was only concerned with managing grant and gift money for Iowa State University, it was located on the Iowa State University campus, and it was staffed with Iowa State University employees. These specific facts prompted the Court in *Gannon* to find that the ISU Foundation was performing a governmental function.

These two cases suggest that simply SWAN incorporating as a private nonprofit corporation will not necessarily relieve it of its responsibilities as a public body under the FOIA and the OMA if the circumstances indicate that SWAN provides governmental functions.

As such, if SWAN converted to a nonprofit corporation, it would be important to closely examine the relationships it already has with its members, which are units of government, and which SWAN might gain with other government agencies moving forward. Further, it would be a priority to establish outlines for partnering with or working for governmental agencies, such as public libraries, in the future. In the event that a nonprofit corporation version of SWAN were to cross the line of being a public body, SWAN would still have to comply with the FOIA and the OMA, even though SWAN was no longer an intergovernmental agency. Regardless of whether SWAN is an intergovernmental agency or a nonprofit entity, the more services that are traditionally provided by government agencies that SWAN provides, the more likely it is that

SWAN would be subject to the FOIA and the OMA. As such, if SWAN wants to avoid compliance with the FOIA and the OMA, SWAN must not be considered to provide governmental service under the factors in the *College of DuPage* case.

Even if the nonprofit corporation version of SWAN avoided public body classification, the nonprofit would not be entirely immune from any scrutiny by the public. Nonprofits, which are exempt from income tax under Internal Revenue Code Section 501(c)(3) are still required to make available for public inspection and copying, the following forms:

- IRS Form 1023 – *Application for Recognition of Exemption*. This form will includes basic information about the nonprofit, compensation arrangements with officers, directors, trustees, and employees of the nonprofit, and a variety of other details about topics ranging from familial relationships between key personnel to joint ventures with other organizations;

- IRS Form 990 – *Return of Organization Exempt from Income Tax*. This form reports the information that would otherwise be reported for income tax purposes if the nonprofit were not exempt from paying income taxes. This form includes details regarding received contributions, grants, revenues, etc., salaries, and expenses.

While these documents do contain some sensitive information, they do not ask for much in the way of context of the information. For example, while these forms would require the nonprofit to disclose how much it received in contributions, the identity and number of contributors would not be disclosed. These documents solicit information regarding the status and financial information of entities in order to ensure compliance with the internal revenue code and related legislation, but the nonprofit would not be required to offer nearly as much or the same types of information that it currently must provide under FOIA, nor would it have to hold open meetings as it currently does under OMA.

GOVERNANCE

If SWAN wants to no longer be an intergovernmental agency, it will be important to make several substantive changes to SWAN's bylaws, so that, in general, the entity does not function as a public body.

First, the new entity will not be bound by the provisions of the intergovernmental agreement which established SWAN. Instead, the new entity will be governed by a new set of bylaws. The founders of the new entity will be able to establish rules for membership eligibility, how many board members will be required, voting rules, and elections. While these rules do not necessarily have to differ from those in the existing bylaws, it will be important to not cite the intergovernmental agreement as the source of the rules, or as the binding document that requires the use of these rules.

Second, new member libraries would no longer be required to sign the intergovernmental agreement, and instead, would sign traditional service agreements that would be drafted to include terms of service decided on by the board members of the new nonprofit.

Generally, the directors and officers of the new nonprofit would need to understand that the nonprofit entity is a service provider that does not exclusively serve any agency of local, state, or federal government. The nonprofit would not be viewed as a supplement to member libraries, but instead provides services in exchange for fees. The provision of services would be

handled as if the relationship between the recipient and the new nonprofit is that of a provider-customer relationship. The services provided would be distinct from services traditionally provided by libraries, otherwise a court could conclude that the new nonprofit is simply an extension of the member libraries, and therefore a public body.

Lastly, the *College of DuPage* opinion considered overlap of employees and directors between the College of DuPage and the Foundation to be indicative of the Foundation being a public body. For that reason, the new nonprofit should not employ individuals who are simultaneously employees of libraries or other units of government, nor should the new board be completely or mostly comprised of library employees or officials.

The aforementioned changes and requirements will assist SWAN in establishing that the new nonprofit is not a public body that might be subject to FOIA or OMA. However, in our research, we were unable to find a conclusive description of what constitutes a public body. The best measure will be to follow the guidance in the *College of DuPage* case. Operating as a business, even a nonprofit business, as opposed to an agent of the government will help insulate the new entity from public body classification, but it must be understood that there is no way to guarantee a court could not still make such a classification.

COST OF CONVERTING TO A SECTION 501(c)(3) ENTITY

In addition to our fees for preparing articles of incorporation, by-laws, registering with the Illinois Attorney General's office and applying for tax-exempt status with the IRS, SWAN would have to pay any associated fees for the filings required to organize the nonprofit as well as any fees to receive exempt status from the IRS. At a minimum, the fees include a $600 filing fee associated with Form 1023 and a $50 filing fee for the articles of incorporation (increased to $75 for expedited service), as well as a $15 fee for filing two different documents associated with being a charitable organization.

REQUIRED TAX FILINGS

IRS Form 990, and the corresponding IL-AG 990, mentioned above, would function as the nonprofit's informational tax return. This document would not be confidential the way that a regular entity's tax filing would be, but as discussed earlier, would be available to the public. Additionally, preparation of these forms would likely cause SWAN to incur costs in the way of preparer's fees.

GRANTS

Converting into a Section 501(c)(3) would assist SWAN's ability to apply for and receive grants. In general, private foundations may *only* make grants to nonprofit entities, meaning that SWAN would be able to solicit grants from those sources. Additionally, governments at times make grants to nonprofit organizations.

DONATIONS

As a Section 501(c)(3) organization, SWAN would be able to represent to potential donors that their contributions would be tax deductible. This would be an advantage over its current structure as an intergovernmental agency.

EMPLOYEE BENEFITS

Nonprofit corporations are authorized to provide regular packages of benefits to employees, including healthcare sponsorship and retirement account enrollment.

Currently, SWAN offers a 401(a) Defined Contribution Plan through ICMA-RC. 401(a) plans have similar features as the more well-known 401(k) plans in terms of allowing employer contributions to employees' plans, and employers being allowed to select investment options. The Federal Tax Code allows nonprofit organizations to offer 401(a) plans, meaning that, if SWAN converts to a nonprofit, the members' employees would be able to rollover their 401(a) funds into another employer-sponsored 401(a) without incurring income tax liabilities. It seems that ICMA-RC would no longer be used as the third-party manager of the retirement plans, as it appears to only serve public sector employers.

Because of a nonprofit's eligibility to participate in 401(a) plans and the added option of rolling over funds into other conventional retirement accounts, neither the entity, nor its employees, would have to be adversely affected by the conversion of SWAN into a nonprofit corporation.

LIABILITIES

As an intergovernmental agency, SWAN currently enjoys protection as a local public entity under the Illinois Local Governmental and Governmental Employees Tort Immunity Act ("Tort Immunity Act"). *See* 745 ILCS 10/1-206 (including intergovernmental agencies in definition of "local public entity").

As a nonprofit corporation, SWAN would no longer be covered by the Tort Immunity Act unless it was formed for purposes of conducting public business. However, as a nonprofit corporation, SWAN's members would have limited liability protection under the Illinois Not-For-Profit Corporation Act. 805 ILCS 105/107.85. SWAN's volunteer board members would also receive protection and insulation under the Illinois Not-For-Profit Corporation Act. 805 ILCS 105/108.70. Generally, Illinois law protects directors and officers from personal liability but there are significant limitations.
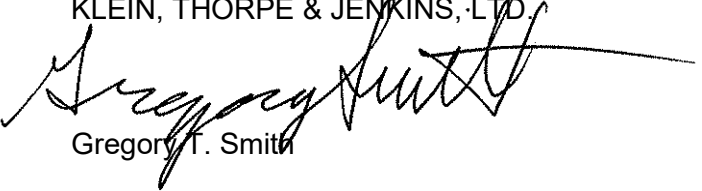
Nonprofit leaders serve as stewards of the organizations' assets and because charitable assets are, by definition, intended for public benefit, they belong to no individual and must be guarded carefully. As a result, nonprofit leaders owe fiduciary duties of care, loyalty, and obedience. In essence, the leaders of the nonprofit must be careful to not act recklessly or in such a way that benefits them personally, or in any way that drastically differs from the nonprofit's mission or corporate purpose.

Under the Illinois Not-For-Profit Corporation Act, agents of the nonprofit can, and in some cases, must, be indemnified by the nonprofit, so long as the agent acted in good faith and in a manner he or she believed to be in the best interest of the nonprofit. 805 ILCS 105/108.75. As a result, in the event of a conversion to a nonprofit, it would be imperative to purchase an appropriate amount of directors' and officers' insurance, which would cover both potential personal liability, and the legal defense expenses required to defend against lawsuits.

If you have any questions, please do not hesitate to contact me.

Sincerely,

KLEIN, THORPE & JENKINS, LTD.

Gregory T. Smith

cc: Donald E. Renner, Klein Thorpe & Jenkin, Ltd.
       Derek A. Farrugia, Klein Thorpe & Jenkin, Ltd.

PART I

3 Exceeds Expectations: Director has gone beyond what you would expect.
2 Meets Expectations: Director meets all or most of what you expect.
1 Does Not Meet Expectations: Director is not working at a level acceptable to you.
0 No Information: You have not had an opportunity to observe these behaviors.

Category 1: Organizational Leadership

	3	Exceeds Expectations	Competency Description
	2	Meets Expectations	• Understands and implements the mission of the organization.
	1	Does Not Meet Expectations	• Works as an advocate for the organization before RAILS, Illinois State Library, SWAN members, and the general public.
	0	No Information	• Stays current with new ideas and trends among libraries.
			• Effective decision maker: gathers input, makes timely decisions and communicates results.
			• Proactive problem solver.
			• Articulates a guiding vision.
Behavioral Evidence:			

Category 2: Business and Financial Management

	3	Exceeds Expectations	Competency Description
	2	Meets Expectations	• Keeps informed about financial needs of the organization.
	1	Does Not Meet Expectations	• Understands and supervises the financial accounting programs for the organization.
	0	No Information	• Ensures that organization funds are spent appropriately, always in the best interest of those we serve.
			• Provides the board accurate, understandable information about the financial status of the organization through regular financial reports.
			• Makes well-supported budgeting recommendations to the board.
			• Assists the board in keeping the organization financially sound.
			• Explores and proposes to the board new potential sources of finance for programs and services.
			• Plans and organizes work effectively.
			• Ensures that all governmental and legal requirements of the organization are met.
Behavioral Evidence:			

Category 3: Customer Service

			Competency Description
	3	Exceeds Expectations	• Understands the needs of the SWAN membership and seeks to fill those needs with the organization's programs and community services.
	2	Meets Expectations	
	1	Does Not Meet Expectations	
	0	No Information	
			• Gains respect and support of other persons and organizations who come in contact with our organization.
			• Articulates clear vision to staff about the paramount importance of customer service and models best practices behavior.
Behavioral Evidence:			

Category 4: Relationship with the Board

			Competency Description
	3	Exceeds Expectations	• Keeps board members informed about issues, needs and operation of the SWAN organization.
	2	Meets Expectations	
	1	Does Not Meet Expectations	
	0	No Information	
			• Offers direction to the board when needed on issues requiring board action and makes appropriate recommendations based on thorough study and analysis.
			• Interprets the intent of and executes board policy.
			• Seeks and accepts from the board and constructive criticism of work.
			• Supports board policy and actions to staff, customers and the public.
			• Understands his/her role in administration of board policy.
Behavioral Evidence:			

Category 5: Personal Characteristics that Impact Job Performance

			Competency Description
	3	Exceeds Expectations	• Maintains high standards of ethics, honesty and integrity in personal and professional relationships.
	2	Meets Expectations	
	1	Does Not Meet Expectations	
	0	No Information	
			• Works well with individuals and groups.
			• Exercises good judgment in arriving at decisions.
			• Maintains poise and emotional stability in the full range of professional activities.
			• Writes clearly and concisely.
			• Responds well when faced with unexpected/disturbing situations.
			• Remains open to ideas, suggestions and criticism from the board.
			• Admits mistakes.
			• Intellectually curious.
Behavioral Evidence:			

Category 6: Personnel/Management and Development

			Competency Description
	3	**Exceeds Expectations**	**Competency Description**
	2	**Meets Expectations**	• Justifies the need for staff development funds, actively campaigns for them and accounts for their use.
	1	**Does Not Meet Expectations**	
	0	**No Information**	• Analyzes staff functioning periodically with the object of creating the greatest efficiencies.
			• Emphasizes equal opportunity employment and affirmative action hiring practices.
			• Delegates authority and efficiently organizes the work of personnel.
			• Inspires staff to do their best work by acting as supporter and motivator; providing necessary resources, encouragement and appreciation.
			• Addresses performance issues and takes actions necessary to correct problems, both with staff and him/herself.
Behavioral Evidence:			

Category 7: Innovation/Improvement

			Competency Description
	3	**Exceeds Expectations**	**Competency Description**
	2	**Meets Expectations**	• Seeks out and promotes change that will better serve patrons and members.
	1	**Does Not Meet Expectations**	
	0	**No Information**	• Constantly pushes to improve efficiency & effectiveness.
			• Demonstrates concern about quality and getting better results.
			• Functions well in fast-paced, changing environment.
			• Anticipates change and develops appropriate coping strategies.
			• Actively works on personal development; seeks out feedback on how to improve.
			• Responds effectively and proactively to organizational changes.
			• Accomplishes responsibilities with superior outcomes.
			• Demonstrates resolve and urgency to get things done.
			• Commits to reach timely and successful closure on work.
			• Strong work ethic; does whatever it takes to get the job done.
			• Drives to excel in all matters.
			• Participates in conferences and training.
			• Stays abreast of current trends and makes recommendations to the board.
Behavioral Evidence:			

Category 8: Planning and Problem Solving

			Competency Description
	3	Exceeds Expectations	Works with SWAN Board to establish strategic goals that enable the organization to better serve the community and anticipate future needs.
	2	Meets Expectations	
	1	Does Not Meet Expectations	
	0	No Information	
			• Supports a vision that keeps the organization current and knowledgeable in technology, programming and services. • Establishes clear long and short term objectives that are attainable and promote betterment of the organization.
Behavioral Evidence:			

Category 9: Interpersonal Effectiveness

			Competency Description
	3	Exceeds Expectations	• Establishes rapport and maintains productive relationships with subordinates, board, members and community.
	2	Meets Expectations	
	1	Does Not Meet Expectations	
	0	No Information	
			• Handles differences openly, candidly and constructively with the best interests of the organization in mind. • Seeks input from others; creates a collegial atmosphere where ideas and information are easily exchanged. • Willingly accepts responsibility for actions and eagerly gives credit to staff. • Creates strong, collaborative work groups focused on attaining superior results. • Encourages a culture of open communication.
Behavioral Evidence:			

PART II

Describe 3-5 areas where performance is particularly effective:

1.

2.

3.

4.

5.

Describe 3-5 areas where performance could be more effective:

1.

2.

3.

4.

5.