

Members Present:

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| Donna Bacon, Executive Director | MOBIUS Consortium Office |
| Regina Cooper, Public Library Representative/ 2012-2013 | Springfield Green County Library System |
| Valerie Darst, President/ 2012-2013 | Moberly Area Community College |
| Stephanie DeClue, Secretary/ 2012-2013 | William Jewell College |
| Mollie Dinwiddie, At-Large Member/ 2012-2015 | University of Central Missouri |
| Cynthia Dudenhoffer, Vice-President/ 2012-2013 | Central Methodist University |
| Wendy McGrane, At-Large Member/ 2012-2015 | Missouri Southern State University |
| Susan Morrisroe, Special Library Representative/ 2011-2014 | Missouri State Library |
| Sharon Upchurch, Academic Library Representative/ 2012-2013 | Culver-Stockton College |
| Jim Cogswell, At-Large Member / 2011-2014 | University of Missouri - Columbia |
| Margaret Conroy, State Librarian | Missouri State Library |
| Corrie Hutchinson, Treasurer / 2012-2013 | Stephens College |

Guests Present:

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| Maegan Bragg, Executive Assistant | MOBIUS Consortium Office |
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1. Welcome and Call to order: Valerie Darst called the meeting to order at 10:02 a.m.
2. Adoption of agenda: Cindy Dudenhoffer made a motion to add an executive session to the end of the meeting. Wendy McGrane seconded. The motion passed.
3. Approval of the minutes of the, August 1, 2012 Meeting: Sharon Upchurch moved to approve the minutes as corrected, Mollie Dinwiddie seconded. The minutes were approved as amended.
4. GKC FY12 Audit Report: Corrie Hutchinson introduced the representatives from GKC. Heidi Ross, Mr. James R. McGinnis, and Mr. Robert A. Gerding.

Mr. McGinnis and Heidi went through the audit report. Our net assets increased from 2011 to 2012. 95% of funds went to program costs, 5% to administration (last year the ratio was 90/10).

There was one material weakness - the restatement of prior financial statements. We had to restate 2011 due to an unexpected bill for a 2011 expense in the 2012 year. Mr. McGinnis feels this is not really a weakness, but a function of effectively accounting for all expenses. Last year we had 11 adjustments, this year we had 2, so we are improving our accounting practices.

Capitalized Evergreen Project - we had not depreciated assets for this project, so we capitalized a server.

Mr. Gerding congratulated the board for being good stewards of the organization and managing our assets effectively.

Jim Cogswell asked how the depreciation of the server was reflected in the Schedule of Functional Expenses (p. 14). Mr. Gerding explained that one was capitalization, one was depreciation. Mollie asked how to avoid the restatement issue. Mr. Gerding said we need to record to future expenses. The issue was the unexpected nature of this liability. Carrie asked if they had any recommendations about the risk assessment policy. McGinnis said that by virtue of us addressing it, it takes the issue off their radar. He also advised the board to use these policies as living documents.

Susan Morrisroe made a formal compliment recognizing Donna Bacon and Meagan Bragg for working with Carrie to correct the issues of last year so quickly. The rest of the board agreed.

5. Financial Report: Carrie went over the Budget to Actual and Profit and Loss reports. Carrie explained the difficulty of non-profit accounting versus how we do our personal accounting. Carrie asked about the assessment line. Donna explained that two institutions have not paid their assessments. Donna also explained that we have started keeping track of charges for services in a separate line. This year they pulled the 5% admin fee for the courier out and put it in charges for services. The assessment is also off by \$7500 for MERLIN's credit and some rounding errors. So the assessment line won't match the actual assessment documents. Jim suggested we add a note explaining that on the report since others may also view this budget who are not privy to this conversation. Carrie explained that this change increases transparency as to the diversity of our revenue streams. Donna explained that Evergreen expenses have been broken out so they can keep track of those expenses. There is extra income in Innovative maintenance since we overestimated as well as in the Evergreen implementation and charges for services. The board will need to determine what we do with this income.

Corrie went over the investment report. The format has changed to make things clearer and give a more cumulative vision of how our investments are doing. The new report looks at a longer period of time. Corrie explained that this view shows that we are making money off our reserve fund investment. In fifteen months of investing we have made \$101,039 from our investments. We are beating the inflation rate so we are making money.

Corrie asked the board what we think of this new report format. The board reported that they like this format better. They felt that it provided more useful, clear information.

Corrie reported that the Finance Committee met with the financial manager to discuss investments and any recommendations from them for changes to our investment policy. Corrie and the Finance Committee recommend that we keep our investment policy as it is for now. The financial manager felt that things are volatile right now and it is better to leave it. She did state we will revisit the issue again.

Mollie moved that we accept the recommendation from the Finance Committee. Jim seconded. The motion passed.

Corrie also mentioned that our 990 is due November 15th and that will be presented to the board electronically once it is complete.

6. Old Business

a. OHIONet Update - Valerie wrote a letter as directed at the last board meeting asking for more information regarding the Fulfillment Project. According to the letter, it is still an active project with a timeline of May 2013. The letter also mentioned that the plug will not be pulled on the project.

b. MOBIUS Board Handbook

i. Schedule of Charges Policy Update - Donna explained that we have a Schedule of Charges that is really generic. The document was created three years ago and is supposed to be reviewed every year but has not been. Sharon suggested including the formula that is used to arrive at the costs rather than the cost itself. The rest of the revisions of the document will be put on hold until after the Assessment Committee meets.

ii. The Policy on Whistleblowing and Employee Conduct and the MOBIUS Policy on Document Retention and Records Management were approved by the Board via email.

iii. Revised Board Handbook - the Board reviewed a table of contents and job descriptions submitted by Gail Staines. Valerie said that the Past President performs the performance review of the Executive Director and this is not in the current job description. The Board agreed it should be added. The sentence "serves as chair of the bylaws committee" should be deleted as we don't have that committee. Corrie mentioned that the Financial Policy is not under the Finance and Fundraising section. The Board also felt that the Payment Due Policy should be added. Corrie also suggested changing the word "observed" in the treasurer's job description as it connotes a passive stance. Susan suggested it be changed to "monitors". The Board agreed. Donna asked if this should be a print or electronic document. The board agreed it should be electronic. The board discussed password protecting it and felt that there was no reason for it to be protected. It would show transparency and help potential board candidates if it was open to all MOBIUS users.

c. IUG Scholarship Application Status- Valerie stated that we received 4 applications for the scholarship. Valerie explained that the committee will communicate via email to discuss the applications. Decision needs to be made prior to November 2 Membership meeting.

d. Human Resources (HR) Consultant and Research Update - Valerie updated the Board regarding the meeting with Bob Stephens, the HR consultant. They are exploring health/vision/dental/long term disability insurance options. The next step is to explore retirement options. The preliminary assessment is that the cost and coverage will be comparable to the cost and coverage through the University of Missouri. Donna has discussed the plans with the MOBIUS staff. Mollie stated that our employees' position in the UM system is tenuous and that it is in our best interest to make this change should UM in the future potentially make a sudden change of policy that forces us to make a sudden change in turn. Valerie also pointed out that as we hire new grant funded employees, etc, that muddies the waters regarding MOBIUS employees being UM employees.

Bob will have a final report by April. Valerie asked the Board to formally state a timeline for handling this. Donna and Valerie felt that the issue needed a committee of more than the two of them. Mollie agreed due to the fluid nature of the board.

Mollie moved that we proceed with a committee charged to execute the separation of MOBIUS HR from the University of Missouri system with a

goal for completion on or before July 1, 2014. Sharon seconded. Motion passed. The executive committee of the board has agreed to serve as the HR committee.

Donna is taking an HR course to get up to speed on the issues in human resources.

e. Communications Plan Update- Wendy has created an outline for a communication plan for MOBIUS. The questions that will be addressed are: a) what communication needs to come from the board and the timeline of those communications, b) what communication needs to come from the executive director, c) what communication needs to come from MOBIUS staff, and d) what communication should go to directors versus the entire group of MOBIUS member employees. The annual report, newsletter and other forms of communication will also be addressed.

f. Assessment Model Review Update- Corrie updated the board on the assessment committee's work. From the video posted for the membership, we received 5 comments. The committee put together a list of questions we want to address in the process. Since there were only a few comments, we decided to tweak the model rather than reconstructing it. The three main questions are: a) How to address the dis-incentivization to grow your collection? How do we address e-books? b) How to address different levels of membership and different service models, and c) How do we create a more flexible service model that allows us to grow and change?

The committee has met to discuss the deficiencies of the current model and how to rework the model to allow for growth. The committee recommends the money for server support be divided among all institutions minus MERLIN since they maintain their own server. It would change the assessment for the other institutions by 2-3%. Cindy mentioned the committee's concern over setting a precedent for picking out services to exempt from assessment since that is not what the assessment is for.

The committee moved that we accept the recommendation regarding the MERLIN server re-allocation, Regina seconded. The motion passed.

Corrie explained that the Expenses by Category document really drives the assessment model. The committee wants to make sure this document is as accurate as possible so we can have a more accurate basis for re-doing the assessment. Server and authority control costs are currently split 50/50 between union and local catalog, although the actual costs are not 50/50. Making the expenses more accurately categorized may weight expenses more toward the local catalog, which may heavily impact assessment amounts for

institutions. The committee will work on this piece and edit the expenses to accurately reflect actual expenses. Then we will work on re-mapping the expenses into the assessment model to see what the outcomes could be.

The committee is also looking at how the union catalog cost share is calculated. Relying on bibs with items does not work for e-books and disincentivizes growing collections. The committee is considering eliminating bibs with items as a variable and replacing it with FTE/active patrons. Another option the committee is considering is a flat price for the union catalog. Jim mentioned that ARL has moved to using materials budgets as an assessment measure.

To address the third question, the committee is exploring how to expand our model to include non-Innovative libraries. Some potential members will connect to the union catalog via DCB, others only want to buy a service or product from MOBIUS.

g. MERLIN/MOBIUS Service Level Agreement Status - Valerie told the Board that we have received a service level agreement from UM, it has been signed by Donna and returned to Ernest Shaw. We are awaiting signatures from UM.

h. Master Plan Update - The Strategic Plan has been put on the wall of the MOBIUS meeting room so we can keep track of the steps that have been taken and what the next steps are.

i. E-Resources and E-book Retreat- Donna reported that the "Moving Forward" retreat in September had about 64 people attend, with every cluster represented. Sharla Lair ran the retreat and Donna commended her on an excellent job. One suggestion that came out of the retreat discussion was the idea of a 'union catalog' for e-books, essentially acquiring licenses for the consortium as a whole. Donna has spoken with Margaret Conroy about having a union catalog of e-books that was available to everyone in the state (not just MOBIUS members). The state library has been discussing e-books as well and what to do. Sharla and Donna have already met with EBSCO about this idea. Sharla and Donna mentioned to EBSCO that they have already met with ebrary because they approached us with a proposal for consortial licensing for an e-book package along with PDA. EBSCO is looking into what sort of e-book package they can offer MOBIUS as well.

The second big idea that came from the retreat was from a webinar given by Jamie LaRue discussing his model for e-books. The Douglas County Library model, or DCL, was created by LaRue in an effort to work directly with

publishers and acquire the rights to the e-books and keep them on their own DCL servers. They also have OverDrive.

Donna asked the Board for thoughts on both ideas and discussion followed. Concerns were raised about implementing the DCL model because of staff time and expense at this point. Attendees at the retreat also made it clear that they want MOBIUS to pursue more e-resources. There is also the issue of various state public libraries wanting to purchase e-resources through MOBIUS. Mollie motioned that MOBIUS pursue consortial licensing of e-books for MOBIUS for now and table the DCL model idea. Sharon seconded this motion. The motion was approved.

A small fee was discussed for non-members that are interested in purchasing e-resources through MOBIUS, but this was tabled until there can be more discussion on the budget, etc.

Valerie also requested that the minutes reflect the excellent job that Sharla did with the retreat.

The third thing that came out of the retreat, is the idea that members would like to see MERAC (or something similar) brought back to help with e-resources. The Board discussed this idea and determined that MCMAC could be tasked with these duties. They could create a sub-group for this and even invite those that aren't on MCMAC to participate in the sub-group.

j. Syndetics Feedback- Donna took the Syndetics quote to MCDAC. They had very little to no comment on the content and value of the product for the Union catalog. It is \$23,000 annually to add this to the Union catalog. This offer is good till October 31. Discussion followed on the benefits of Syndetics. The funds would come from contingency for 2012-13 only. Mollie moved that we proceed on the Syndetics purchase for the Union catalog. Jim Cogswell seconded. There were 9 'yea's' and Corrie abstained. The motion passed. Donna added on that note that she asked III about Encore for the Union catalog just to see what the quote would look like. III has an agreement with EBSCO to integrate Encore with Discovery. This is the first step in investigating how III can help with e-books integration.

7. New Business

a. Membership Meeting Agenda- there was discussion on what items to put on the agenda for the November 2 Membership meeting. Send additional agenda and discussion items to Valerie before the meeting.

b. MALA/MOBIUS Meeting- Donna and Cindy met with Susan Burton and Steve Potter at MLA's October conference to discuss two issues that have come up recently. Some MOBIUS members have been using MALA to send things and not paying MALA for this service. MALA is policing this on their own and will send items back to a member sends items through MALA. So this isn't an issue much anymore and this problem is fixing itself. Members can get items from MALA, but you can't send them back through MALA. Donna and Cindy later discussed possibly surveying the MOBIUS membership to see if they would like to pay to be part of the COKAMO system. The second issue that Susan brought up is that MALA isn't barcoding their bags anymore because 1st Choice had told them that they don't track the bags that way. MOBIUS had been told just the opposite. In order for the barcode tracking to work, both MALA and MOBIUS need to use the barcoding system.

Another issue came up regarding courier service to the University of Kansas. Donna talked to Paul at 1st Choice about it. He said it is possible to do this, but they will need to pay for this service. Donna stated that at this point all we can do is offer University of KS to pay for a stop.

c. MACPAC Charge Update- Donna talked about how things have changed with MACPAC's work and charge in the past several years. Maegan reviewed the charge and made the changes to the main charge as well as the sub-group charges. Currently, MACPAC approves the sessions submitted, reworks the schedule, and recommends the keynote speaker, etc. Regina Cooper moved to approve the charge changes. Jim seconded and the motion passed.

8. Executive Director's Report- Donna asked Christopher to compile some statistics about what is in the Union catalog and how they circulate, etc. We all have a different idea of what the Union catalog looks like and each institution seems to determine on their own what they lend and what they don't. According to the stats that Christopher ran, a very small portion of the Union catalog is circulated. At some point, it would be helpful to define the union catalog.

MAAC jumped on the task that the Board assigned to them recently regarding AV lending and borrowing. Deb Erhstein is the chair and they will have a final report and recommendations at the April board meeting.

Donna will be visiting St. Louis County library next week. They are the only other III library in the state.

'Moving Forward' and the E-books Retreat reports were sent out. 'Moving Forward' was a successful series and went very well.

Donna is working on the annual report. The audit is complete, so it is close to being finished.

For the annual conference, we approached Library Journal about 'Lead the Change' program. It is a whole day session on leadership and how to implement change in your library. For the next annual MOBIUS conference, the state agreed to pay for the registration fee for up to 100 participants via the conference grant. This will be the first time this session will be offered in MO. This makes it available to any MO librarian in the state.

January 3, 2013, Concordia is scheduled to go live. Christopher is working on this implementation project.

The office has purchased BaseCamp, a software product to assist with project management.

MLA went really, really well! Sharla, Debbie, and Donna were at the MOBIUS booth and constantly talking about Evergreen.

The MO Evergreen contract with the state is finalized for this year. There are several public libraries on the timeline and many more interested in Evergreen. MOBIUS still has two open positions. The Implementation Coordinator position and the Evergreen IT System Administrator position.

9. Adjourn to Executive Session/Return from Executive Session
Pursuant to the Missouri Revised Statutes, Section 610.021, the MOBIUS Board of Directors will convene in closed session with closed record and closed vote for the purpose of considering legal, contractual, budgetary, or personnel matters.

Next Board meeting: December 14, 2012 at the MOBIUS Office.

Submitted by Stephanie DeClue on 12/10/12
Secretary, MOBIUS Board of Directors