**TO:**  PLA Board of Directors

**FROM:** Mary Davis Fournier, PLA Executive Director

**RE:** Operating Agreement Implementation Working Group

**DATE:**  November 2, 2023

**ACTION REQUESTED/INFORMATION/REPORT:**Information

**Update**

There has been little movement toward a new operating Agreement since my report to the board in June 2023 (PLA 2023.49a-b). In August divisions were asked to rank the top two overhead scenarios in order to recommend one for FY25 implementation by the Fall 2023 ALA EB meeting. In September, the divisions declined to select scenarios, instead submitting aggregate division questions along with a request to extend the timeline for approval of a new operating agreement to FY25 and implementation to FY26.

At the Fall 2023 ALA Executive Board Meeting, the following motion passed:

Dissolve the Operating Agreement Implementation Work Group and to charge the ALA Treasurer and the ALA CFO, in consultation with member and staff leadership across the divisions, round tables, and other revenue generating units, to bring final recommendations to the Executive Board related to financial aspects of the operating agreement to the Board’s October 2024 meeting.

ALA Treasurer Peter Hepburn posted the following message to the ALA Connect page for the Operating Agreement Implementation Work Group:

*“The Executive Board met last weekend in Chicago, and during my Treasurer's report to the Board, I provided an update on the task force.  At the conclusion of the report, I moved that the Board dissolve the task force and charge me and Dina with bringing back recommendations related to finances and the operating agreement at the October 2024 meeting.  Those recommendations will be based on the work our task force has done as well as continued discussion with all of you and the other revenue generating units.”*

Although the divisions are satisfied with the additional year towards implementation, information regarding process, communications, meetings and consultation timeline is forthcoming.

Currently divisions are working together to create a proposed timeline and process over the next year that will support timely review, reporting and discussion of new Operating Agreement changes by division boards/finance committees.