



**PrairieCat Finance Committee
Agenda
Thursday, July 25, 2024
10:30 a.m. – 12:00 p.m.**

The committee will meet in person at DeKalb Public Library,
309 Oak Street, DeKalb, IL 60115
And online via Zoom

Register to attend in person or online via Zoom online:

<https://support.prairiecat.info/events/prairiecat-finance-committee-meeting-2024-07-25>

PUBLIC COMMENT: Members of the public will be able to chat or speak during the meeting or the virtual Zoom meeting during the public comment. Public comments may be submitted via email to Carolyn.Coulter@prairiecat.org at least two hours before the meeting.

We require an in-person quorum for this meeting.

1. Call to Order, introductions.
2. Introduction of Guests and Public Comment
3. Approve minutes of March 21, 2024, meeting (pp. 2-3)
4. Review and discussion, suggested changes to budget structure and fees, review of feedback from initial discussions with accountants and next steps (pp. 4-19)
5. Adjournment

Next meeting: September 19, 2024, 10:30am – 12:00am, Sycamore Public Library and online



**PrairieCat Finance Committee
Minutes
Thursday, March 21, 2024
10:30 a.m. – 12:00 p.m.**

The committee met in person at DeKalb Public Library,
309 Oak Street, DeKalb, IL 60115
And online via Zoom

<https://prairiecat-org.zoom.us/meeting/register/tZwudeChqzsrHNRgoytvYGHstgSS-nFJmQDI#/registration>

PUBLIC COMMENT: Members of the public will be able to chat or speak during the meeting or the virtual Zoom meeting during the public comment. Public comments may be submitted via email to Carolyn.Coulter@prairiecat.org at least two hours before the meeting.

We require an in-person quorum for this meeting.

Register online at L2 or at the following URL for Zoom online registration:

1. Call to Order, introductions.
Present at Dekalb PL: Carolyn Coulter (PrairieCat), Chelsey Knippel (PrairieCat), Beth Ryan (Chair-JO), Lauren Offerman (TC), Rene Leyva (FR), Elizabeth Smith (PrairieCat), Angela Campbell (RP), Michael Skwara (HC)

Present via Zoom:

Absent: Maria Meachum (WL), Nick Weber (WO), Penny Bryant (PT), Bryon Lear (MX)

Ryan (JO) called the meeting to order at 10:30 am

2. Introduction of Guests and Public Comment
There were no guest or public comments.
3. Approve minutes of December 21st, 2023, meeting

Motion #1: Offerman (TC) moved and Campbell (RP) seconded to approve the June 15, 2023 meeting minutes as presented. There was no discussion on the motion. Motion carried by vocal affirmation.

4. Review and discussion, FY25 budget and membership fees
Coulter (PrairieCat) stated that this is the same budget that was presented at the December meeting with two minor adjustments. The first is the line item for in-kind services. The second thing is the staff salaries due to the benchmarking we will be discussing later. PrairieCat staff and the accountants have reviewed this budget, and we believe these numbers are as accurate as possible.

Coulter also said the accountants explained why we cannot have a separate Capital Reserves budget as previously discussed by this Committee. PrairieCat is treated as a business and not a library, so our budget follows the rules according to GASB.

Campbell (RP) asked about having a line item for vehicle replacement, should that be added in to the budget? Coulter will talk to the accountants and figure out how to budget for either a leased vehicle or purchased vehicle.

5. Discussion, PrairieCat compensation benchmarking study and compensation plan
Coulter (PrairieCat) explained that PrairieCat staff met with Leyva (FR), representative from the Finance Committee, and discussed how to best address salary adjustments considering the study results. The decision from this group was to move forward with bringing the two staff members who were at or below the minimum of their paygrade to ½ way between minimum and midpoint in FY25. All other staff members were either over or at ½ way between minimum and midpoint of their paygrade with the FY25 budget COLA adjustments and merit increases. One other staff member was also adjusted up to the same pay level as the two that were raised, as well. Even though this staff member is a lower grade, the staff member has more seniority, and it was deemed appropriate to bring them up to the same level.

In FY26, all staff members that are below midpoint of their paygrade will then be brought up to midpoint. The attached spreadsheet reflects the approximate cost over and above the costs of regular COLA and merit increases that this would entail. This assumes a 3% COLA increase in FY26, and a 2.5% increase to the pay scale.

The Committee agrees to send this budget along with this new compensation plan to Administrative Council.

6. Adjournment
The meeting adjourned at 10:59am.

Next meeting: June 20, 2024, 10:30am – 12:00am, DeKalb Public Library and online



Date: 7/25/2024

To: PrairieCat Finance Committee

From: Carolyn Coulter, Director

Re: Discussion items, Reserves and budget changes

Summary:

On 6/27/2024, Beth Ryan, Carolyn Coulter, Elizabeth Smith, and Chelsey Knipple met with our RAILS accountant team of Elena Mendoza and Sharon Swanson. We discussed the current capital reserves and operating budget configuration, and identified key decisions that will need to be made in order to change “capital reserves” to a “reserves” fund, and restructure the way that we currently treat these funds in our budget revenues. Below is a summary of our discussion with comments from Elena and Sharon, as well as related sections of other PrairieCat governance documents that will need to be addressed going forward to achieve our goals. I would like to get direction from the committee about these issues and then move forward with creating some draft documents for further review.

Suggested changes to Bylaws:

SECTION 9. CAPITAL RESERVES. ~~Capital reserve Reserves funds~~ are designated and intended for emergencies, planned replacements of ILS equipment and software, enhancements to the integrated library system and related services, and other expenses as approved by PRAIRIECAT members. All expenditures from ~~Capital R~~ reserves require prior approval by the Delegates Assembly.

Suggested changes to General Policy Manual:

VII. Funds and Net Position

PRAIRIECAT's financial accounting shall consist of one ~~general~~ fund which shall operate on a July 1st through June 30th fiscal year. ~~This General F~~und is detailed in the annual budget. A report of ~~this General F~~und's year-to-date and previous-month activities shall be presented to the Administrative Council at each month's meeting. The assets within that fund are divided into designated and undesignated assets:

A. ~~Undesignated funds~~ - the purpose is to provide the fiscal structure required to conduct the day-to-day operations of PRAIRIECAT. ~~Monies in the u~~ndesignated funds are to be maintained in a checking account in such amount as is required to meet expenditure demands. ~~Additional~~ funds may be deposited in an ~~interest interest~~-bearing account in such manner as to gain the maximum possible financial benefit while maintaining emergency access to those funds. Investment income shall be reinvested. ~~The undesignated funds will not exceed 12 months of projected operating expenses; any amounts in excess of 12 months operating expenses will be designated for future capital expenditures by the Administrative Council. Any amounts in excess of <X> months of operating expenses will be designated for the general fund. This amount may be re-assigned designated for other purposes at the discretion of the governing board.~~

B. ~~Capital Reserves~~ - the purpose is to maintain and grow funds that may be necessary for emergencies, planned replacements of ILS equipment and software, enhancements to the integrated library system and related services, and other expenses ~~future major repairs, of or replacements or enhancements to hardware and software used by PRAIRIECAT, or any other needed expenses as designated~~ termined by the Administrative Council and approved by the Delegates Assembly. ~~In order to~~ To grow the reserves and prepare to meet future needs, it is a goal of PRAIRIECAT to include at least a ~~\$25,000 (need to determine amount)~~ allocation into ~~designated future capital expenditures reserves~~ as part of each annual budget. ~~A portion of each PRAIRIECAT member's annual fees are specifically earmarked as designated for future capital expenditure contributions. (this would now be rolled into the budget in required revenues, not specified in fees directly) in.~~ In addition, each new ~~PRAIRIECAT~~ member is required to make an initial contribution designated for future capital designated expenditures, reserves as specified in Appendix A of this manual.

Commented [EM1]: Should this say general fund, or something else?

Commented [SS2]: We need to address actual results as well as budget. Instead of months, would this be the excess of revenues over expenses, and what amount would be designated and what amount would be undesignated?

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C. Net Position - it is the goal of PRAIRIECAT to maintain operating funds~~a fund balance, or reserve~~; in an amount of no less than ~~25%~~ (Need to discuss this percentage) of annual General Fund~~operating~~ expenditures at all times. Any fiscal-year-end funds budgeted but not expended above the amount of budgeted reserves shall ~~remain in the General Fund as part of fund balance or shall be~~ added to the balance of undesignated funds to be used for future operating expenses~~allocated to expenditures in the following fiscal year.~~

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Commented [SS3]: Is this accurate?

Other questions/Notes: _____

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1. Remove the capital reserves part of the App A fees from the spreadsheet.
2. Add the designated amount of overage for reserves fees to the "bottom" of the budget, thus increasing the required revenue by that amount in the total budget.
3. Divide up the reserve amount between the flat fee of "per library fee" and the matrix fees of circ/users/items



**PrairieCat Administrative Council
Annual Workplan**

July	Welcome new members Review Orientation Manual Designate OMA and FOIA officers/Training Certifications Review committee assignments Review annual work plan Delegates Assembly agenda
August	Review compliance issues Send Administrative Assistant OMA Certifications Finalize committee assignments Review RAILS grant for funding
September	Review Delegates Assembly attendance Review staffing and RAILS services
October	Approve draft membership fees and capital reserve contribution for next fiscal year Approve first draft budget for next fiscal year Approve audit Delegates Assembly agenda
November	Review governance documents
December	
January	Review progress on annual work plan Delegates Assembly agenda
February	Review compliance issues
March	Appoint nominating committee Approve Public Library representation for next fiscal year Review staffing and RAILS services
April	Approve final budget Delegates Assembly agenda Representatives file SEI forms by May 1
May	Finalize election slate
June	Elect officers for next fiscal year Approve check signers for next fiscal year Review ILL Barcode policy Recognize departing Council members Give Administrative Assistant SEI Receipts



Administrative Council Roles and Responsibilities

Council Members' Roles

- Gather input from members through formal and informal channels, and bring input back to the Council when relevant; be alert to member concerns that can be addressed by PrairieCat's mission, objectives and programs
- Reach out to new directors in the Council member's representative group to welcome them to PrairieCat and answer questions
- Communicate information to members; support the decisions of the Council when communicating with members
- Set PrairieCat policies for implementation by the Director and staff
- **Oversee fiscal operations of the consortium; draft annual budget and make recommendations on the budget and capital expenditures to the Delegates Assembly for member approval**
- Oversee the consortium's long-range and strategic planning, with input from members, the Director, and staff
- Receive and approve recommendations from standing groups
- Assist in the evaluation of vendors and contractors
- Participate in hiring the Director

Norms for Council Effectiveness

- Attend meetings regularly and communicate with the Chair, Director or Administrative Assistant when unable to attend; regular in-person attendance is expected to ensure quorum
- Prepare for Council meetings by reading the packet, asking for clarification in advance when possible, and bringing communications to the meeting
- The Council will set meeting ground rules for effective communication
- The Chair will be responsible for facilitating effective discussions, making sure to provide an opportunity to hear all opinions without rehashing arguments. Council members will strive to make sure their comments contribute to moving the discussion forward

- C. Management and administrative responsibility for the investment program is delegated to the PRAIRIECAT Director. The PRAIRIECAT Director is responsible for establishing internal controls and written operational procedures designed to prevent loss, theft or misuse of funds.
- D. Reporting: investments and the status of such accounts will be reported at each regularly scheduled meeting of the Administrative Council and include interest earned as of the report date.
- E. Ethics and Conflicts of Interest: Officers and employees involved in the investment process shall refrain from personal business activities that might conflict with the proper execution and management of the investment program, or that could impair their ability to make impartial decisions, or that could give the appearance of impropriety. Such individuals shall disclose any material financial interests in financial institutions with which PRAIRIECAT conducts business. They shall further disclose any personal financial/investment positions that could be related to the performance of the investment portfolio.

VII. Funds and Net Position

PRAIRIECAT's financial accounting shall consist of one general fund which shall operate on a July 1st through June 30th fiscal year. The General Fund is detailed in the annual budget. A report of the General Fund's year-to-date and previous-month activities shall be presented to the Administrative Council at each month's meeting. The assets within that fund are divided into designated and undesignated assets:

- A. Undesignated funds - the purpose is to provide the fiscal structure required to conduct the day-to-day operations of PRAIRIECAT. Monies in the undesignated funds are to be maintained in a checking account in such amount as is required to meet expenditure demands. Additional funds may be deposited in an interest-bearing account in such manner as to gain the maximum possible financial benefit while maintaining emergency access to those funds. Investment income shall be reinvested. The undesignated funds will not exceed 12 months of projected operating expenses; any amounts in excess of 12 months operating expenses will be designated for future capital expenditures by the Administrative Council.
- B. Capital Reserves) -the purpose is to maintain and grow funds that may be necessary for future major repairs of or replacements to hardware and software used by PRAIRIECAT. In order to grow the reserves and prepare to meet future needs, it is a goal of PRAIRIECAT to include at least a \$25,000 allocation into designated future capital expenditures as part of each annual budget. A portion of each PRAIRIECAT member's annual fees are specifically earmarked as designated for future capital expenditure contributions. In addition, each new PRAIRIECAT member is required to make an initial contribution designated for future capital expenditures, as specified in Appendix A of this manual.
- C. Net Position - it is the goal of PRAIRIECAT to maintain a fund balance, or reserve, in an amount of no less than 25% of annual General Fund expenditures at all times. Any fiscal-year-end funds budgeted but not expended shall remain in the General Fund as part of fund balance or shall be allocated to expenditures in the following fiscal year.

Membership Levels, Fee Structure, and Eligibility

PRAIRIECAT will have a multi-leveled membership structure as outlined in the Intergovernmental Agreement and the Bylaws. The Administrative Council will annually review the criteria to qualify for each membership level, including but not limited to annual operating budget and school housing counts. The Council will annually review the membership fee structure and each level's contribution to the PRAIRIECAT Capital Reserves and make recommendation to the Delegates Assembly as part of the budget approval process. The membership criteria and membership fee structure will be incorporated into the General Policy Manual as Appendix A. Appendix B will outline the policies and procedures for changing from one membership level to another.

Appeals for special consideration regarding membership eligibility must be made in writing to the Administrative Council. The appeal will be considered at the next Administrative Council meeting in compliance with the Illinois Open Meetings Act. A representative from the member library requesting special consideration must be present at that Administrative Council meeting. Administrative Council rulings will be considered on a case-by-case basis. After the Administrative Council has ruled on the issue, the library that does not accept the ruling may request within (10) days in writing that the issue be presented to the Delegates Assembly. Decisions made by the Delegates Assembly are final.

**Approved by the Administrative Council on 4/5/2013,
3/2/2018**

Steps for Union List Member to Upgrade to Basic Online or Fully Participating Membership or for a New Basic Online or Fully Participating Member to Join

- (1) New member submits a Basic Online or Fully Participating member intergovernmental agreement approved by their governing body.
- (2) Membership is approved by Administrative Council, then Delegates Assembly.
- (3) PRAIRIECAT contract staff meets with the library to review the scope of project and develop estimated timeline. Target Go Live is set.
- (4) New member is billed for respective contribution to the Capital Reserves. A new or upgrading member can elect to pay that contribution in three equal payments over three years.
- (5) If library is a brand new member, and their migration will take more than a year, they are charged Union List fees during the fiscal year when they are entering information into the system.
- (6) New member completes process to add/upgrade bibliographic and item holdings, add user records. This process must be completed within two years of membership approval. If, after two years, the new member has not made sufficient progress, the Administrative Council can vote to censure or reject the member and rescind their membership.
- (7) New member receives holds training and begins borrowing and lending via holds after 25% of collection is added to database.
- (8) Circulation rules are added for new member and member receives circulation training. Go Live Date is set.
- (9) New member goes live for circulation.
- (10) New member is billed for Basic Online or Fully Participating member fees beginning the quarter that they Go Live for circulation. Any Union List membership fees already paid for the fiscal year will be credited on a pro rata basis towards the first full membership quarterly fee.
- (11) New member is eligible to vote at Delegates Assembly and run for seats on Administrative Council the quarter they begin paying Basic Online or Fully Participating member fees / Go Live.
- (12) New member is added to the budget Appendix A for the first full year after they Go Live.

**Approved by the Administrative Council, 1/8/2016,
9/1/2021**

Sexual Harassment

1. "Sexual harassment" consists of unwelcome sexual advances, requests for sexual favors, or other verbal or physical conduct of a sexual nature when made by any employee to another employee when:

- a. Submission to such conduct is made either explicitly or implicitly a term or condition of a person's employment;
- b. Submission to or rejection of such conduct is used as the basis for any employment decisions affecting such individual; or
- c. Such conduct has the purpose or effect of substantially interfering with an individual's work performance or creating an intimidating, hostile or offensive working environment.

2. Sexual harassment, as defined above, may include, but is not limited to:

- a. Uninvited sex-oriented verbal "kidding" or demeaning sexual innuendoes, leers, gestures, teasing, sexually explicit or obscene jokes, remarks or questions of a sexual nature;
 - b. Graphic or suggestive comments about an individual's dress or body;
 - c. Displaying sexually explicit objects, photographs or drawings;
 - d. Unwelcome touching, such as patting, pinching or constant brushing against another's body; or
 - e. Suggesting or demanding sexual involvement of another employee whether or not such suggestion or demand is accompanied by implicit or explicit threats concerning one's employment status or similar personal concerns.
 - f. Even if two or more employees are engaging in consensual conduct, such conduct could constitute harassment of or discrimination against another employee who witnesses or overhears the conduct.
3. An employee who believes that he or she has been subjected to sexual harassment or who has witnessed harassment or discrimination should immediately submit a complaint to the Director. The complaint may also be submitted to the Chair of the PRAIRIECAT Administrative Council if the alleged harasser is the Director. If a manager or supervisor receives a complaint of harassment or discrimination directly from an employee, or becomes aware of such conduct, the complaint or conduct shall be immediately reported to the Director. All complaints shall be investigated in accordance with the procedures contained herein.
4. PRAIRIECAT shall promptly and thoroughly investigate all complaints and make all reasonable efforts to resolve the matter informally. These efforts may include, but are not limited to, convening conferences with the complainant and/or the accused

harasser/discriminator to discuss the complaint and the results of the investigation. If the complainant or the accused is not satisfied with the disposition of the investigation, he or she may submit in writing an appeal to the Chair of the PRAIRIECAT Administrative Council or his/her designee, who will review the investigation report and make a final decision. At the Chair's option, he/she or his/her designee may conduct further investigation, if necessary.

5. Staff reporting incidents of harassment are protected by the Whistleblower's Act and the Illinois Human Rights Act. Reporting harassment or discrimination or participating in an investigation will not reflect adversely upon an individual's status or affect future employment. Any employee who retaliates against another for exercising their rights under this policy shall be subject to discipline up to and including discharge. The rights to confidentiality, both of the complainant and of the accused, will be respected consistent with PRAIRIECAT's legal obligations and with the necessity to investigate allegations of misconduct and to take corrective action when this conduct has occurred.
6. A substantiated charge against an employee will subject the employee to disciplinary action up to and including discharge. Likewise, an employee who knowingly and in bad faith makes a false report of sexual harassment will be subject to disciplinary action up to and including discharge.
7. The purpose of this policy is to establish prompt, thorough and effective procedures for responding to every complaint and incident so that problems can be identified and remedied internally. However, all Library employees have the right to contact the Illinois Department of Human Rights (IDHR)/ Illinois Human Rights Commission (IDHC) or the Equal Employment Opportunity Commission (EEOC) for information regarding filing a formal complaint with those entities. An IDHR complaint must be filed within 180 days of the alleged incident(s) unless it is a continuing offense. A complaint with the EEOC must be filed within 300 days. For further information, any such employee may call or write to the Illinois Department of Human Rights, 100 W. Randolph Street, Room 10-100, Chicago, Illinois 60601, (312) 814-6200, or the Illinois Human Rights Commission, 100 W. Randolph Street, Room 5-100, Chicago, Illinois 60601 (312) 814-6269 or United States Equal Employment Opportunity Commission (EEOC), 500 West Madison Street, Suite 2800, Phone 1-800-669-4000.

Approved by the Administrative Council, 12/1/2017

Appendix A: Membership Tiers, Fee Structure and Eligibility

Fully Participating Membership

- Fully Participating members will have the ILS functionality detailed in Exhibit B of the PRAIRIECAT Intergovernmental Agreement.
- Fully Participating members will be assessed an annual fee based on a formula including a per library fee, per patron fee, per circulation fee and per item fee, each weighted approximately 25%.
- Fully Participating members will contribute annually to the PRAIRIECAT Capital Reserves in an amount determined by the budgeting process and approved by the Delegates Assembly.
- New Fully Participating members will make a one-time contribution of \$5000 to the PRAIRIECAT Capital Reserves.
- Should a Fully Participating member move to a lower tier and then elect to become a Fully Participating member again, they will not need to make an additional one-time contribution to the Capital Reserves.
- All libraries are invited to participate as Fully Participating members if they so choose and it is economically feasible.

Basic Online Membership

- Basic Online members will have the ILS functionality detailed in Exhibit B of the PRAIRIECAT Intergovernmental Agreement.
- Basic Online members will be assessed approximately 70% of the per library fee that is charged to the Fully Participating libraries. Then, their patrons, circulation, and items will be added to the fee formula to determine their full Basic Online membership fee.
- Qualifying Fully Participating members of PRAIRIECAT as of January 23, 2013 will have the opportunity in FY14 to give notice to drop to Basic Online membership if desired beginning with FY15.
- Basic Online members will contribute annually to the PRAIRIECAT Capital Reserves in an amount determined by the budgeting process and approved by the Delegates Assembly. This amount will be assessed approximately 70% of the Fully Participating Capital Reserve contribution.
- New Basic Online members will make a one-time contribution of \$3500 to the PRAIRIECAT Capital Reserves. If they later move up to Fully Participating, they will make an additional \$1500 one time contribution to the PRAIRIECAT Capital Reserves. If they have previously made a \$5,000 contribution as a Fully Participating member, no additional contribution is due to move down to Basic Online. If they have previously made a \$1250 as a Union List membership, their contribution due will be \$2250 to become Basic Online.

Union List Membership

- Union List members will have the ILS functionality detailed in Exhibit B of the PRAIRIECAT Intergovernmental Agreement.
- Union List members will be assessed approximately 25% of the per library fee charged to the Fully Participating libraries each year.

- Union Listing members will contribute annually to the PRAIRIECAT Capital Reserves in an amount determined by the budgeting process and approved by the Delegates Assembly. This amount will be assessed approximately 25% of the Fully Participating Capital Reserve contribution.
- New Union Listing members will make a one-time contribution of \$1250 to the PRAIRIECAT Capital Reserves. If a member subsequently moves up to Basic Online membership, the member will make an additional \$2250 one-time contribution to the PRAIRIECAT Capital Reserves. If a member subsequently moves up to Fully Participating membership, the member will make an additional \$3750 one-time contribution to the PRAIRIECAT Capital Reserves. Union List members as of January 23, 2013 that continue as Union List members are grandfathered in and not required to make this contribution, but those members will be required to make the full contribution of \$3500 if they move up to Basic Online or \$5000 if they move up to Fully Participating.

Membership Tier Eligibility by Type of Library

- Public library annual operating budgets will be determined by their most recent Illinois Public Library Annual Report using the figure found in the "total operating expenditures" column of the IPLAR. School library housing counts will be determined by the most recent information provided on the Illinois State Board of Education website. Only buildings participating in PRAIRIECAT membership will be included in the housing count.
- Public libraries with an annual budget of \$200,000 or more are only eligible for Fully Participating membership.
- Public libraries with an annual budget of \$100,000 to \$199,999 are eligible for Basic Online membership or Fully Participating membership.
- Public libraries with an annual budget under \$100,000 are eligible for Union Listing, Basic Online or Fully Participating membership.
- School libraries with a housing count (students) of 1400 or more are eligible for Basic Online or Fully Participating membership.
- School libraries with a housing count (students) of 1399 or fewer are eligible for Union Listing membership, Basic Online or Fully Participating membership.
- If a school district consists of multiple member schools or is already using a shared circulation system, admission to PrairieCat at union list level is allowed despite student body size.
- Due to the unique nature of academic and special libraries and the percentage of the PRAIRIECAT membership that they represent, they are welcome to choose their membership level.

Phase-in of New Membership Tiers:

Members Required to Move Up in Membership Tier Due to Eligibility: PRAIRIECAT Union List members as of January 23, 2013, have until PRAIRIECAT's FY17 to move up to the appropriate membership tier if required.

**Approved by the Administrative Council, 10/7/2016,
3/2/2018, 5/8/2020, 6/2/2023**

Appendix B: Policies and Procedures for Changing Membership Tiers

SECTION 1- TO MOVE UP TO A NEW TIER:

From UL to Basic

- Have until PRAIRIECAT's FY17 to move to this tier if required; otherwise can move according to guidelines below
- Required to pay \$3500 one-time contribution to Capital Reserves if no prior Capital Reserve contribution has been made. If member previously paid \$1250 toward Capital Reserves, member will be required to pay a \$2250 one-time contribution for a grand total contribution of \$3500 for the Capital Reserves.
 - An upgrading member can elect to pay that contribution in three equal payments over three years.

From UL to Full

- Have until PRAIRIECAT's FY17 to move to this tier if required; otherwise can move according to guidelines below
- Required to pay \$5000 one-time contribution to Capital Reserves if no prior Capital Reserve contribution has been made. If member previously paid \$1250 toward Capital Reserves for Union List membership, member will be required to pay a \$3750 one-time contribution for a grand total contribution of \$5000 for the Capital Reserves. If member previously paid \$3500 toward Capital Reserves for Basic Online membership, member will be required to pay a \$1500 one-time contribution for a grand total of \$5000 for the Capital Reserves.
 - An upgrading member can elect to pay that contribution in three equal payments over three years.

From Basic to Full

- Members can choose to move up to Fully Participating membership in accordance with the guidelines below
- Required to pay \$5000 one-time contribution to Capital Reserves if no prior Capital Reserve contribution has been made. If member previously paid \$3500 toward Capital Reserves, member will be required to pay a \$1500 one-time contribution for a grand total contribution of \$5000 for the Capital Reserves.
 - An upgrading member can elect to pay that contribution in three equal payments over three years.

SECTION 2- TO MOVE DOWN TO A NEW TIER:

From Full to Basic

- Follow the guidelines below
- No Capital Reserves contributions due; no reimbursement for prior Capital Reserve contributions

- If a Full member moves to a lower tier, then elects to move up again, no additional contributions to the Capital Reserves are required (other than those due as part of annual membership fees)
- From Full to UL
- Follow the guidelines below
- No Capital Reserves contributions due; no reimbursement for prior Capital Reserve contributions
- If a Full member moves to a lower tier, then elects to move up again, no additional contributions to the Capital Reserves are required (other than those due as part of annual membership fees)
- From Basic to UL
- Follow the guidelines below
- No Capital Reserves contributions due; no reimbursement for prior Capital Reserve contributions
- If a Basic member moves to a lower tier, then elects to move up to Basic again, no additional contributions to the Capital Reserves are required (other than those due as part of annual membership fees). If a Basic member moves to a lower tier, then elects to move to Full membership, the member library will be required to pay a one-time contribution to the Capital Reserves as outlined in Section 1.

SECTION 3- PROCEDURES FOR MOVING UP

A member who wishes to move up to a new membership tier will submit a written notice of intent to change membership tier to the PRAIRIECAT Chair, along with a newly executed Intergovernmental Agreement, at least 180 days in advance of the next fiscal year in accordance with the Intergovernmental Agreement. The new IGA will be approved at the next Delegates Assembly.

SECTION 4- PROCEDURES FOR MOVING DOWN

A member who wishes to move down to a new membership tier will submit a written notice of intent to change membership tier to the PRAIRIECAT Chair, along with a newly executed Intergovernmental Agreement, at least 180 days in advance of the next fiscal year in accordance with the Intergovernmental Agreement. The new IGA will be approved at the next Delegates Assembly.

Approved by the Administrative Council, 4/1/2016

PRCAT bylaws:

PRAIRIECAT by December 10. If payment is not received by December 10, a late charge of the greater of \$10.00 or 1.5% of the bill due will be assessed. Billing statements will be transmitted to Union Listing Libraries on an annual basis by October 1.

SECTION 8. INTEREST. All interest earned by PRAIRIECAT funds will be credited to shared PRAIRIECAT funds.

SECTION 9. CAPITAL RESERVES. Capital reserve funds are designated and intended for emergencies, planned replacements of ILS equipment and software, enhancements to the integrated library system, and other expenses as approved by PRAIRIECAT members. All expenditures from Capital Reserves require prior approval by the Delegates Assembly.

ARTICLE VII – STANDING GROUPS

The following Standing Groups are established: Circulation Committee (CircC), Technical Services Committee (TechC), Technology Group (known as “Computer Keepers”), User Experience Committee, and the Training & Enhancements Committee. Membership on CircC and TechC is comprised of elected members; membership on the Technology Group, the User Experience Committee, and the Training & Enhancements Committee is open to any interested member. Other Standing Groups may be established by the Administrative Council. The Standing Groups and their subgroups are primarily attended by employees of the Members and PRAIRIECAT staff, rather than by Delegates, their alternates or members of the Administrative Council.

SECTION 1. MEMBERS OF CircC and TechC. The number of members of the PRAIRIECAT Circulation Committee (CircC) and the PRAIRIECAT Technical Services Committee (TechC) shall be eleven (11) elected representatives chosen through an election process by the Delegates Assembly. Their members will include:

- Two (2) members representing Tier 1 public library constituencies
- Two (2) members representing Tier 2 public library constituencies
- Two (2) members representing Tier 3 public library constituencies
- One (1) member representing academic, special, or school member libraries
- Four (4) members serving on an at large basis from any library type

Union List members are welcome to run for At Large seats. The public library tiers are further delineated in the PRAIRIECAT General Policy Manual.

No more than one representative from the same member library can serve on CircC at the same time or TechC at the same time.

SECTION 2. TERMS OF OFFICE. Each CircC and TechC member shall serve a term of three years. CircC and TechC members may serve only two (2) consecutive elected terms, regardless of the length of the term. CircC and TechC appointments for less than six months to cover members departing before the end of their term do not count against the consecutive term limitation. The six-year term limit applies to an individual CircC or TechC member, and does not limit a library from having different

19. Term and Termination. This contract shall be effective when signed by the Member and be in effect through June 30, 20___. After the initial contract period, the contract shall be automatically extended for successive one-year periods. Termination of contract requires notification to the Chair of the Delegates Assembly at least 180 days in advance of the next fiscal year. If the Agreement is terminated, the Member must pay all unpaid costs incurred up to and including the time of termination. The obligation to pay all such costs survives the termination of this Agreement. If the Member terminates the Agreement, the Member shall pay all costs incurred by PRAIRIECAT due to the Member's decision to leave PRAIRIECAT, including any work performed by PRAIRIECAT employees or agents after the termination of the Agreement. The process for withdrawal from PRAIRIECAT is outlined in the Bylaws.

20. Dissolution. PRAIRIECAT may be dissolved by a two-thirds (2/3) vote of the Delegates Assembly. If PRAIRIECAT dissolves, PRAIRIECAT will first offer title to all system hardware and software to any entity that is composed of at least 2/3 of all Delegates Assembly Members that had an executed agreement with PRAIRIECAT when the vote to dissolve was passed. If there is no such entity, Members shall have the right of first refusal regarding the purchase of all equipment, property and other assets of PRAIRIECAT and shall share in the proceeds, if any, in accordance with the Member's proportionate share of capital contributions, purchases, or balance on account. Surplus funds, if any, shall be distributed in the same manner.

21. Section Headings. The section headings inserted in this Agreement are for convenience only and are not intended to and shall not be construed to limit, enlarge or affect the scope or intent of this Agreement or the meaning of any provision hereof.

22. Validity and Savings Clause. In the event that any provision of this Agreement shall be declared by a final judgment of a court of competent jurisdiction to be unlawful or unconstitutional or invalid as applied to any Member, the lawfulness, constitutionality or validity of the remainder of this Agreement shall not be deemed affected thereby.

23. Governing Law. This Agreement shall be construed in accordance with the Constitution and laws of the State of Illinois.

IN WITNESS WHEREOF, the Library whose signature is set forth below, acting under the authority of its Governing Body, has caused this Agreement to be executed by its duly authorized officer. This Agreement shall be executed in several counterparts, each of which shall be signed by one Member Library, and each separate Agreement shall collectively constitute one original.

Name of Member: _____

BY: _____