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Wayne State University
University Libraries
Detroit, Michigan 48202

April 12, 1985

Mr. Gerald B. Alt
Seyburn, Smith, Bess, Howard, Kahn and Harnisch
3000 Town Center
Suite 2050
Southfield, Michigan 48075

Dear Gerry:

I am sending you some additional information regarding DALNET's Articles of Incorporation and Bylaws in anticipation of your beginning work on them for us.

The three signatories of the DALNET Articles of Incorporation are to be:

1. Peter Spyers-Duran, Director
Wayne State University Libraries
Wayne State University
130 Purdy Library
Detroit, Michigan 48202
2. Jane Hale Morgan, Director
Detroit Associated Libraries
5201 Woodward Avenue
Detroit, Michigan 48202
3. Barbara Coe Johnson, Librarian
Harper Hospital
3990 John R Street
Detroit, Michigan 48201

Two additional pieces of information to help with the Bylaws are enclosed:

- (1) The Michigan Library Consortium bylaws;
and (2) "DALNET Bylaws" dated April 2, 1985.

I look forward to finally beginning work on establishing DALNET as a legal entity. Thank you for your help so far.

Sincerely,

Louise Bugg
Assistant Director for Library Systems

LB/ff

Attachments

cc: P. Spyers-Duran

cc: M. Kiley

DALNET BYLAWS

ARTICLE I -- Name and Purpose

1. Detroit Area Library Network (DALNET)
2. Purpose - see "Statement of Mission"

ARTICLE II -- Organization

1. Fiscal year ends on the 30th day of September.
2. Non-profit, non-stock company organized solely for the benefit of its members.
3. Offices within Michigan as specified by the Trustees.
4. Dissolution included here? (Move this article to the end?)

ARTICLE III --- Membership

1. See "DALNET Membership"
2. NEEDED:
 - . DALNET's fees formula for founding and later members.
 - . Payment schedule to append
 - . Penalty (or remedy) for non-payment
3. Geographic boundaries must be the State of Michigan if DALNET is incorporated there?

ARTICLE IV -- Board of Trustees

1. See "DALNET Structure and Organization" except change the three permanent representatives on the Executive Committee to be from the three largest full members, rather than listing the library's names. Largest will be defined as those contributing above a given percentage of the operating budget, e.g., 20%.
2. Board meetings twice a year, in November and May. Special meetings can be called by 1/3 of the votes of the Board or by the Director.
3. Voting
 - . Proportional to cost, initially based on central site costs for start up and the first year. Based on annual central site costs thereafter.
 - . Designated alternates.

- . Quorum - 2/3's of votes with representation from all types of members, academic, public, school, and special.
- 4. Executive Committee
 - . Three permanent seats, one each from the three largest full members.
 - . Four elected seats, for three year staggered terms.
- 5. Committees -- see MLC's Section 3.10. Examples of Committees are Database Standards and Finance.
- 6. Follow Robert's Rules of Order for meetings.

ARTICLE V -- Officers

1. Secretary and treasurer to be appointed from the Executive Committee.
2. Terms for each officer should be 1 year.

ARTICLE VI -- Director

1. See MLC's "Executive Director" section

ARTICLE VII -- Contracts and transactions

1. See MLC's section of same name.

ARTICLE VIII -- Amendment of Bylaws

1. See MLC's section of same name.

QUESTION: What to we need to provide to enable for-profit libraries to join?

L. Bugg
4/12/85



Michigan Library Consortium

6810 South Cedar Street, Suite 8, Lansing, Michigan 48910
517/694-4242 or 800/292-1359 Michigan Toll Free

BYLAWS

ARTICLE I -- Name and Purpose

Section 1.01. Name. The name of the corporation is Michigan Library Consortium (hereinafter referred to as the "Consortium"), incorporated under the provisions of Act 327, Public Acts of 1931, as amended, and Act 284, Public Acts of 1972, as amended.

Section 1.02. Purposes. As set forth in its Articles, the Consortium is formed exclusively for the purposes of:

(a) facilitating the sharing of information resources among the libraries of Michigan; encouraging the libraries of Michigan to institute such cost-effective practices and procedures which may be made possible through statewide interlibrary cooperation; and enabling the libraries of Michigan to link up and interact with regional and national electronic bibliographic communication systems; and

(b) furnishing of information resource services developed for the Consortium's use to business and industry whether located principally in or out of Michigan for the purpose of making information services available to all those individuals, foundations, or businesses that may benefit from them for the purpose of producing the necessary revenue to gather, produce, and disseminate information resources.

ARTICLE II -- Participants

Section 2.01. Members. The membership of the Consortium shall be composed exclusively of Michigan governmental subdivisions or agencies and Michigan non-governmental corporations, partnership, associations, and trusts. The number of members shall be such number, not less than three, as the Board of Trustees shall from time to time determine. It is intended that the Members shall be interested in promoting and aiding the purposes of the Consortium.

Section 2.02. Affiliates. Libraries and institutions not meeting qualifications for membership status under the Articles of Incorporation shall be considered for Affiliate status. Affiliates shall assume all duties, obligations, and privileges of members in promoting the goals and objectives of the Consortium.

Section 2.03. Election of Members and Affiliates. The members and Affiliates shall be elected by the affirmative vote of a majority of Trustees at any annual or special meeting in which a quorum is present. The incorporators named in the Articles of Incorporation shall be the initial members of the Consortium but shall automatically cease to be such upon the election by the Trustees of three or more Members or Affiliates which qualify under Section 2.01 or Section 2.02.

Section 2.04. Rights and Interests. Members and Affiliates shall be entitled to receive annual reports and other communications, publications, and services from the Consortium deemed appropriate by the Trustees, and to receive notice of, to attend, and to vote all meetings of the Trustees. Representatives of the Members and Affiliates may participate on any standing or temporary committee appointed by the Trustees.

Section 2.05. Dues, Assessments, and Contributions. The Board of Trustees may from time to time levy dues or assessments, or both, upon the Members and Affiliates, or may require the making of contributions by Members or Affiliates to the Consortium as a condition to becoming or (on a periodic basis) as a condition to continuing as a Member or Affiliate, but no Member or Affiliate shall be legally obligated to pay dues or assessments or to make contributions until such obligation has been approved by a duly authorized officer or agent of such Member or Affiliate. Dues, assessments, or contributions may be imposed in different amounts or proportions, or upon a different basis, on the Members and Affiliates. The method of collection may be fixed by the Board of Trustees, which may in case of non-payment provide for the denial of voting rights, the cancellation of membership or affiliate status, and/or the termination of services, upon thirty days written notice, and for reinstatement thereof upon proper circumstances.

Section 2.06. Requirement of Approval of Members and Affiliates. The Consortium shall not liquidate, dissolve, sell all or substantially all of its assets, merge, consolidate, or amend its Articles without the approval of a majority of the Members and Affiliates. In the event of the liquidation or dissolution of the corporation, all assets, real and personal, shall be distributed to such organizations as are qualified as tax exempt under Section 501(c)(3) of the Internal Revenue Code or the corresponding provisions of a future United States Internal Revenue Law.

Section 2.07. Termination.

(a) Any Member or Affiliate may resign its membership or Affiliate status as of the end of a fiscal year (see section 7.03) of the Consortium but not less than six months prior written notice of resignation filed with the Executive Director of the Consortium,

(b) except as otherwise permitted by the Board of Trustees, in special cases, the resignation or termination of any Member or Affiliate for any reason shall not relieve the Member or Affiliate from the obligation to discharge all obligations due and payable by it to the Consortium, including obligations undertaken by the Member or Affiliate for the period immediately preceding the effective date of the termination of its status.

ARTICLE III -- Board of Trustees

Section 3.01. Number, Selection, and Term of Office.

(a) Each Member and Affiliate shall be entitled to appoint two persons to serve as Trustee of the Consortium, one of whom shall be designated as the Librarian Trustee. The Trustees shall serve as the Board of Trustees of the Consortium (hereinafter referred to as "Trustees"). The number of Trustees which shall constitute the full Board of Trustees at any time shall be equal to the number of persons at the time duly appointed to serve as Trustees as hereinafter provided.

(b) Each Member and Affiliate may appoint two alternates. In the absence of a Trustee, an alternate may represent the Member or Affiliate.

(c) A full Board of Trustees shall be appointed annually by the Members and Affiliates by filing with the Executive Director a written instrument naming the person or persons so appointed. Trustees shall hold office until the annual meeting next following their appointment and until successors, if any, are appointed.

(d) Effective on the termination for any reason in the Consortium of any Member or Affiliate, any person serving as a Trustee from that Member or Affiliate shall cease to be a Trustee of the Consortium and the number of persons constituting the full Board of Trustees shall be reduced accordingly.

Section 3.02. Authority. The property, business, and affairs of the Consortium shall be managed by the Board of Trustees shall include the power to authorize the Consortium to borrow money, to acquire grants or gifts, to enter into contracts, and to purchase, sell, lease, mortgage and otherwise acquire or dispose of real estate.

Section 3.03. Annual Meeting. An annual meeting of the Trustees shall be held between 1 May and 30 June of each year on such a day and at such a time and place as shall be designated by the Board of Trustees.

✓ Section 7.02. Financial Statements. The Trustees shall employ a certified public accountant (or firm thereof) to perform an annual audit of the financial statements of the Consortium, and shall distribute such audited financial statements together with the accountant's opinion thereon to the Trustees.

Section 7.03. Fiscal Year. Unless otherwise provided by the Trustees, the fiscal year of the Consortium shall begin on the first day of July and end on the thirteenth day of June each year.

Section 7.04. Archives. The Consortium shall establish or cause to be established an archival record of its proceedings at such places within Michigan as the Trustees specify.

ARTICLE VIII -- Amendment of Bylaws

Section 8.01. Amendments. These Bylaws may be altered, amended and repealed, and new bylaws may be adopted, by resolution, by a majority of Trustees at any annual or special meeting in which a quorum is in attendance but only if notice of the proposed amendment or the general nature thereof is given at least ten days prior to the meeting.

(b) The Trustees may appoint a Librarian Trustee to serve in the capacity of Executive Director until such a time as the office of the Executive Director of the Consortium is duly appointed as hereinabove provided.

ARTICLE VI -- Contracts and Transactions

Section 6.01. Loans; Real Estate. Loans and guarantees shall be contracted on behalf of the Consortium only if authorized by the Board of Trustees. The purchase, sale, and lease of real estate shall require the approval of the Trustees.

Section 6.02. Signatures on Notes, Checks, etc. All properly authorized notes, drafts, acceptances, checks, endorsements, guarantees, and all evidences of indebtedness of the Consortium whatsoever, shall be signed by such one or more officers of the Consortium and subject to such requirements as to counter-signature or other conditions, as the Board of Trustees from time to time specifically may designate.

Section 6.03. Execution of Instruments Generally. Unless otherwise specified by the Trustees, all properly authorized deeds, mortgages, contracts, and other instruments requiring execution by the Consortium shall be executed as set forth in Section 6.02.

Section 6.04. Permanent Staff. The Executive Director subject to the authority of the Trustees, shall be authorized to employ a permanent staff to assist in the conduct of Consortium business. The Executive Director shall enter into no employment contracts lasting longer than one year without the approval of the Executive Council.

Section 6.05. Membership in Organizations. The Trustees shall have the right to enter into membership agreement with other organizations or cooperative endeavors as are deemed worthwhile and beneficial to the activities and purposes of the Consortium. The official representative of the Consortium to any such organization shall be the Executive Director or someone delegated by the Executive Director.

ARTICLE VII -- General Provisions

Section 7.01. Offices. The Consortium may have offices at such places within Michigan as the Trustees specify.

Section 3.04. Special Meetings. Special meetings of the Trustees may be called at any time by the Chairperson of the Consortium, its Executive Council, or by the Board of Trustees of the Consortium.

Section 3.05. Notice of Meetings. Written notice of each meeting of Trustees shall be given to each Member and Affiliate ten days prior to the meeting. Such notice shall specify the place, day, and hour of the meeting and the general nature of the business to be transacted.

Section 3.06. Consent. Any action which could be taken at meeting of the Trustees may be taken without a meeting if a consent or consents in writing setting forth the action to be taken shall be signed by a majority of the Trustees and filed with the Chairperson.

Section 3.07. Quorum. At any meeting of the Trustees, the presence of 30% of Member and Affiliate institutions shall be necessary and sufficient to constitute a quorum for the transaction of business. Each Member and Affiliate shall be entitled to two votes. At every duly called and notice meeting in which a quorum is present, acts adopted by the affirmative vote of a majority of Trustees shall be valid, except as otherwise provided herein or by law.

Section 3.08. Parliamentary Authority.

(a) Roberts Rules of Order, Revised, shall be the authority for conducting all meetings of the Trustees.

(b) The Vice-Chairperson shall normally serve as parliamentarian for all meetings of the Trustees. In the absence of or inability of the Vice-Chairperson to function as parliamentarian, such duties shall fall to an officer or Executive Council member, as designated by the Chairperson of the Board of Trustees.

Section 3.09. Executive Council.

(a) The Executive Council of the Consortium shall consist of the Officers of the Consortium, one Trustee each appointed by the State Library Services, Detroit Public Library, Michigan State University, University of Michigan, and Wayne State University, if indeed these institutions have joined the Consortium, and no more than six Trustees elected at large from the other to serve staggered two year terms. The Executive Council shall have and exercise the full authority and power of the Trustees in the management of the property, business, and affairs of the Consortium, except that the Executive Council may not exercise the authority given to the Trustees in Sections 2.01, 2.02, 2.03, 3.10, 4.01, 7.03, and 8.01 of the Bylaws.

(b) The Chairperson of the Board of Trustees shall be presiding officer at meetings of the Executive Council.

(c) Members of the Executive Council shall hold office for the term for which they have been appointed or elected to the position they hold on the Board of Trustees of the Consortium, subject to subsection (d) of this section 3.09.

(d) If a member of the Executive Council shall for any reason cease to be an officer or Trustee of the Consortium the individual shall automatically cease to be a member of the Executive Council without the necessity of any action by the Trustees. Interim replacements to the Executive Council may be made by the Chairperson of the Board of Trustees with the approval of the Executive Council. Interim replacements shall be valid until the next regularly scheduled annual election.

(e) At any meeting of the Executive Council, the presence of a majority of Executive Council members shall be necessary and sufficient to constitute a quorum. At every duly called and noticed meeting in which a quorum is present, the affirmative vote of a majority of Executive Council members present shall be necessary for the adoption of any resolution or the taking of any action. The Executive Council shall adopt its own rules of procedure as to call and notice of meetings and the like, and shall cause regular minutes of its proceedings to be kept. All actions of the Council shall be reported to the Trustees.

Section 3.10. Committee. Standing committees shall be established by the Board of Trustees; temporary committees may be established by the Chairperson of the Board of Trustees. Rotational members of Standing committees shall be appointed by the Vice-Chairperson/Chairperson elect; the Chairperson shall appoint members of temporary committees and fill vacancies in Standing committees, as appropriate. Members of the committees shall consist of representatives of the members or affiliates of the Consortium. These committees shall be chaired by a Trustee so appointed by the Chairperson and approved by the Trustees. All Standing committees shall consist of at least three members. Standing committees utilize at their discretion, whatever expertise may be necessary in an advisory capacity to assist them in the discharge of their responsibilities. All standing committees shall keep such record of the transactions of their meetings as the Trustees shall direct and shall report all actions to the Executive Council and annually to the Trustees.

Section 3.11. Resignations. Trustees may resign by submitting to the Chairperson their resignations, which (unless otherwise specified herein) need not be accepted to make it effective and shall be effective immediately upon its receipt.

Section 3.12. Vacancies. If any person appointed as a Trustee by a Member or Affiliate as hereinabove provided, shall cease for any reason to serve as a Trustee, such a Member or Affiliate may, by written instrument filed with the Executive Director, appoint another person to fill such vacancy.

ARTICLE IV -- Officers of the Consortium

Section 4.01. Designation and Election. The Trustees shall elect the officers of the Consortium which shall consist of a, Chairperson, a Vice-Chairperson/Chairperson-Elect, a Secretary, and a Treasurer and such other officers or assistant officers as may from time to time be determined by the Board of Trustees. The officers shall be elected annually from among the Trustees. The Chairperson and Vice-Chairperson/Chairperson-Elect shall serve for a term of one year, from 1 July through 30 June of the fiscal year. Upon expiration of the term of Vice-Chairperson/Chairperson-Elect, the person holding that office shall assume the duties of Chairperson for the succeeding year. The Secretary and the Treasurer shall serve for a term of two years, from 1 July until 30 June of the following fiscal year. Election of the Secretary and the Treasurer will take place in alternate years. A list of those nominated for officers shall be made known to the Trustees. All vacancies in offices shall be filled by the Trustees. The Trustees may secure the fidelity of any or all of the officers by bond or otherwise.

Section 4.02. Chairperson. The Chairperson shall preside at all meetings of the Trustees and of the Executive Council. The Chairperson shall be responsible for providing general supervision and guidance to the Executive Director. The Chairperson shall have such further powers and duties as the Trustees may from time to time prescribe.

Section 4.03. Vice-Chairperson/Chairperson-Elect. The Vice-Chairperson/Chairperson-Elect shall assist the Chairperson in the performance of official duties, shall serve as parliamentarian at meetings of the Trustees and the Executive Council, and shall have and exercise such powers and duties as shall be conferred upon the office from time to time by the Trustees. In the event of the absence or incapacity of the Chairperson, the Vice-Chairperson/Chairperson-Elect shall have and exercise all the powers and duties of the Chairperson.

Section 4.04. Secretary.

(a) The Secretary shall exercise such power and duties as shall be conferred upon the office from time to time by the Trustees.

(b) It shall be the duty of the Secretary:

(1) to keep or cause to be kept at the registered office of the Consortium a membership book, containing the name and address of each Member and Affiliate together with the names of their Trustees and Alternates, and a copy of the Articles of Incorporation and of these bylaws; and

(2) to keep or cause to be kept at the registered office of the Consortium an original or duplicate record of the proceedings of the Members and Affiliates, of the Trustees, and of any committees appointed by the Board.

Section 4.05. Treasurer.

(a) The Treasurer shall exercise such power and duties as shall be conferred upon the office from time to time by the Trustees.

(b) It shall be the duty of the Treasurer:

(1) to see that lists, book reports, statements, tax returns, certificates, and other documents and records required by law or sound business practices are properly prepared, kept, and filed; and

(2) to chair the Budget and Finance Committee.

ARTICLE V -- Executive Director

Section 5.01. Executive Director.

(a) The Executive Director shall be charged with implementing the policies and programs adopted or approved by the Trustees, shall exercise general supervision and management over all the property and affairs of the Consortium, and shall coordinate the day-to-day operations and other activities of the Consortium. It shall be the responsibility of the Executive Director to report directly to the Chairperson of the Board of Trustees, and as such, the Chairperson shall be responsible for providing general supervision and guidance to the Executive Director.

(b) The Executive Director shall be an ex-officio member (without vote) of the Board of Trustees, the Executive Council, and appropriate committees as designated by the Chairperson of the Board of Trustees.

(c) The Executive Director shall represent the Consortium when such representation is required, and shall have and exercise all the powers and duties as the Trustees may from time to time prescribe.

Section 5.02. Appointment of the Executive Director.

(a) The office of the Executive Director of the Consortium shall be filled by appointment by the Trustees and serve in that capacity for a period of time so specified. The Executive Council shall serve as the selection committee for the Trustees and shall review and evaluate candidates; their appointment to the office of Executive Director of the Consortium shall be duly communicated the Trustees.