

MIDEASTERN MICHIGAN LIBRARY COOPERATIVE

BY-LAWS

Adopted August 20, 1992
Revised November 9, 1995
Revised June 12, 1997
Revised May 10, 2012

Article I - NAME

The name of this organization shall be the Mideastern Michigan Library Cooperative.

Article II - PURPOSE

The purpose of this organization is to provide those services that can usually be performed more effectively and economically by a larger unit of service while at the same time permitting the smaller unit of service to retain its local autonomy and close contact with the people it serves.

The Cooperative itself does not provide direct service to the public; rather it aids and assists member libraries in their endeavors to better serve the public.

In order to best serve our constituents, the Mission of the Mideastern Michigan Library Cooperative is to encourage, facilitate, and coordinate resource sharing for its member libraries; provide services; advocate for its members; seek funding, and provide relevant information to members concerning library issues.

Article III - AUTHORITY

This organization is established as authorized under Michigan Public Act 89, 1977, as amended, known as State Aid to Public Libraries Act of 1977 and the Cooperative Plan of Service as amended.

Article IV - GOVERNANCE

Governance shall be as outlined in the Cooperative Plan of Service. For details, please refer to the Cooperative Plan of Service, as amended.

Article V - ORGANIZATION OF THE BOARD

Section 1 Officers of the Board shall be elected at the regular October meeting each year.

Section 2 The offices of the Board shall be a Chairperson, Vice Chairperson and Secretary-Treasurer.

Section 3 The Chairperson shall preside at all meetings of the Board and may appoint such committees as deemed necessary. The Chairperson shall be an ex-officio member of all such committees.

Section 4 The Vice Chairperson shall assume the duties of the Chairperson in the case of absence or disability and assume the office of chairperson if the incumbent leaves office before the next election.

Section 5 The Chairperson, Vice Chairperson and Secretary-Treasurer shall be elected separately.

Section 6 Nominations shall be made by a designated committee and may also be made from the floor and election shall be by a simple majority of those board members present and voting, provided a quorum be present.

Section 7 Vacancies in Office shall be filled by an appointment by the Chairperson and confirmed by the Board.

Section 8 Term of office shall be one year.

Section 9 Each officer may serve no more than two consecutive terms.

Section 10 The Director of the Cooperative shall attend meetings of the Board as determined by the Board and shall prepare all agendas in conjunction with the Chairperson.

Section 11 The Board may designate someone other than a member of the Board to act in the capacity of Secretary of the Board.

Section 12 The duties of the Secretary-Treasurer or a designated representative shall be:

- a) to keep the minutes and forward them to the members of the Board, the Directors of the member libraries of the Cooperative, chairs of member library boards and to any persons requesting copies as provided in the Open Meeting Act 267, 1976.
- b) to give notification of meetings to members of the Board and Directors of the member libraries of the Cooperative and to any persons requesting notification as provided in the Open Meeting Act 267, 1976.

Article VI - PROCEDURES

Section 1 Roberts Rules of Order, Revised, shall be the authority for conducting all meetings of the Board. A simple majority of the Board shall constitute a quorum.

Section 2 The order of business may be, but is not necessarily limited to the following:

- a) Roll Call
- b) Public Comments
- c) Minutes of Previous Meeting or Meetings
- d) Financial Report
- e) Communications
- f) Unfinished Business
- g) New Business
- h) Board Comments
- i) Adjournment

Section 3 The Board shall complete a list of regular meetings at the first meeting of each fiscal year, in compliance with the Open Meetings Act 267, 1976.

Section 4 Special Board meetings may be called by the Chairperson or a majority of Board Members so requesting. Such a meeting must be confirmed by phone or mail 48 hours prior to the meeting time; it must be posted at the Cooperative Office and must conduct only that business for which it was called.

Section 5 The Board shall allow virtual meeting attendance from a remote location under certain parameters. Recognizing that the goal of all board and committee meetings is in-person attendance; and recognizing that full in-person attendance greatly facilitates the productivity of

said meetings, it is accepted by all members that in-person attendance shall be expected of all members.

However, recognizing that a variety of serious impediments to each member's attendance may arise, the following policies are in effect.

- a) The Board member may request to attend the meeting virtually. The request must be submitted in writing or by telephone to the Board Chair and MMLC Director at least 24 hours in advance, if possible and in recognition that emergency situations do occur.
- b) Rules for virtual attendance will be written and agreed upon by the Board. Items covered must be: determining that a quorum is present, methods for seeking recognition, obtaining the floor to speak, submitting motions, the process for verifying votes, and the equipment required for participation.
- c) If there is a weather advisory or weather prohibiting in-person attendance, the meeting may be attended virtually as long as there is one meeting location that is open to the public. A conference telephone will provide access to and for all participants. If it is not possible to provide a public meeting location, the meeting will be cancelled by the Chair and Director. All Board members will be notified by email and by telephone.

ARTICLE VII – ADMINISTRATION

Section 1 Administrative Operations

- a) The Chairperson, Vice Chairperson, Secretary-Treasurer, and Director are each authorized to sign checks for budgeted expenditures. All checks must be signed by the Director and one of the other above mentioned officers.
- b) The Board by appropriate resolution at its first meeting each fiscal year designated as October 1 - September 30, shall designate those banks which shall be the depositories of its funds for that year; provided that in the event the ownership or name of any such designated bank is changed during that year after the adoption of the resolution, the Board's funds may continue to be deposited in such bank, unless
- c) The Board by appropriate resolution shall establish guidelines governing the extent to which its funds shall be held in the form of certificates of deposit or other like money market accounts in the banks which have been designated as its depositories.
- d) Within the guidelines so established, the Director may from time to time purchase or roll over such certificates or like accounts in the banks which have been designated as depositories of the Board's funds without its prior approval and by his/her sole act; provided that any such transaction shall be promptly reported to the Board, and further provided that the Board shall review and approve or disapprove the same at its meeting next succeeding such transaction.

Section 2 There shall be an annual audit conducted by an independent firm, appointed by the Board. A copy of this annual financial audit shall be filed with the Library of Michigan and the Michigan Department of the Treasury within twelve months following the close of each fiscal year.

Section 3 Travel Expenses

- a) Travel expenses for staff members allocated in the budget shall be subject the approval of the Director. Travel expenses of the Director as allocated in the budget shall be subject to approval by the Board.

- b) Attendance at meetings or conferences of professional organizations shall ordinarily be limited to staff members who are personal members in good standing of that association.

Article VIII - AMENDMENT OF BY-LAWS

Section 1 These By-Laws may be amended at any regular meeting of the Cooperative Board by a two thirds majority of that Board provided that all members of the Board and all member library Boards have been notified in writing of the amendment at least thirty days in advance of the meeting.

Addendum #1

Segregation of Duties to Improve MMLC Internal Controls

(Submitted to the Board by the Finance Committee on 12/10/92; Adopted by the Board on 01/14/93.)

Section 1 Approval & Oversight Functions

These are the functions that the Board handles or delegates to several others to ensure that public funds are being managed according to rules, regulations, and Board motions.

- a) Formation of a Finance Committee to ensure policy compliance and oversight shall take place annually. The Board Treasurer shall be the Chair of this committee.
- b) Review of financial reports summarizing all investment and bank transactions shall take place at each regular Board meeting. The Board shall annually designate which financial institutions are authorized to hold the Cooperative's funds. The Director (or delegate) shall ascertain the best interest rate for investments. The Director is required to give a full report to the Board on any and all investments as they occur. Board members shall have an opportunity to comment and make suggested revisions to the monthly financial reports.
- c) Periodic review and revision of investment policies shall be a regular activity of the Board.
- d) Board By-laws shall be reviewed and revised periodically to ensure compliance with all rules, regulations and Board motions.
- e) Internal and external audits shall be conducted. The Finance committee shall have the responsibility and authority to conduct internal audits at their discretion. The Board By-laws require an annual audit by an independent firm.
- f) All disbursements shall be made by check according to Board authorization. Two signatures shall be required on all checks issued by the Cooperative. One signature shall be the Director's, the second signature shall be that of a Board officer (Treasurer, Chair, Vice-Chair). Signature cards shall be signed annually, at the first meeting of the fiscal year, and throughout the year as changes to the Board occur. The Director (or designee) is authorized to make all purchases. Prior approval of the Board is required for the purchase of items exceeding \$1,000, unless pre-approved by the Board as part of the regular budget process. Documentation of all expenditures, such as an invoice or voucher, shall be available to check signers for all disbursements.
- g) The Finance Committee shall be responsible for verifying Federal compliance.

Section 2 Accounting Functions

- a) Preparation of vouchers and documentation. The Director shall approve all vouchers and invoices. All third party reimbursement invoices shall be prepared by the third party and shall be on their legal letterhead. All vouchers shall be stamped with the date voucher was paid and the check number.
- b) Receiving cash and checks. The Director (or designee) shall receive cash and checks, make all deposits, and create a photocopy record of all such transactions. The Treasurer (or Board designee) shall review all deposit documentation on a monthly basis as part of the reconciliation process.
- c) Purchase of goods and services. The Director (or designee) shall purchase all goods and services. All receipts and proof of purchase shall be attached to the invoice.
- d) Receiving and inspection of goods and services. The Director (or designee) shall have the responsibility to receive and inspect goods and services prior to authorizing payment of invoices.

Section 3 Custodial Functions (for expenditures and cash disbursements)

- a) Opening of the mail shall be done by the Director (or designee) on a daily basis. Upon receipt, all checks shall be immediately endorsed "For Deposit Only". Deposits shall be made in a timely manner, and recorded to the journal/ledger/ automated system.
- b) Handling of cash and assets. The Director is responsible for handling all cash and assets of the Cooperative and shall comply with the investment policy and according to rules, regulations, and Board motion.
- c) Recording of transactions. The Director (or designee) shall be responsible for recording all transactions to the journal/ledger/automated system. These transactions shall be subject to review by the Finance Committee and the Board on a monthly basis.
- d) Depositing of daily receipts. The Director (or designee) shall receive cash and checks, make all deposits, and create a photocopy record of all such transactions. The Treasurer (or Board designee) shall review all deposit documentation on a monthly basis as part of the reconciliation process.
- e) Issuance of checks. The check preparation shall be conducted by the Director (or designee). Two signatures shall be required on all checks issued by the Cooperative. One signature shall be the Director, the second signature shall be that of a Board officer (Treasurer, Chair, Vice- Chair).
- f) Mailing of endorsed checks. The Director (or designee) shall be responsible for mailing all signed checks in a timely manner.
- g) Responsibility for the Automated Financial System. The Director (or designee) shall be responsible for the operation of the automated financial system, ensuring that all access is restricted. Only authorized persons shall have access to the financial files. A procedure manual will be prepared as a tool for understanding the philosophy and set-up of the Cooperative's computerized financial records. Updates to the software and procedures manual shall be made in a timely manner. Arrangements shall be made to secure against physical damage to the financial data.