

**Louisiana Digital Consortium
Executive Board Meeting
August 8, 2014, THNOC**

Notes

The meeting began at 10:15 a.m. Attending were Debbie Sibley, Carol Bartels, Sharon Mader, Pat Vince, Diane Brown. Absent were Stanley Wilder and Debbie Johnson-Houston.

Business Filings

Diane reported on what she found out from the Secretary of State's website and on the IRS website about steps necessary to form a tax-exempt organization. There are two components:

1. Registering with the LA Secretary of State, and
2. Applying for tax exempt status with the IRS.

A number of options were considered. Since it is so important to set up the organization correctly the first time, it was determined that the Board should get advice from a lawyer, or at least have a lawyer look over what is being considered. Pat offered to contact James Duggan, Dean of Tulane University Law Library, to see if he would work with us.

Membership

Pat reported that 14 of the 16 institutions committed to staying with the LDC. Those not answering the emailed questionnaire were McNeese and Southern. Additional institutions indicated they are tentatively joining, pending explanation of the membership fee: Loyola, LSUHS-S, LA Tech, UNO and State Museum.

It was reiterated that all institutions should pay the \$1247 invoice received from LOUIS; this invoice covers the annual fees for the software and payment for LOUIS' services in working with OCLC on the renewal. This leaves \$7226 remaining from the original amount forecast by Sara that would be the LOUIS charge for the year. The LDC intends to invoice for this separate amount and use that funding to hire an executive director and to fund the operation of the consortium.

Any fees and charges must be approved by the membership at the Fall meeting. The Board will recommend that all institutions be invoiced for \$7000 in December to be paid in January. This way, the funding will begin at the beginning of the calendar year; the consortium will have time to get a budget in place and meet all tax exempt rules by the end of December 2015. The January payment would be for July 2014 – June 2015, so institutions would be billed again in July 2015.

Carol reported on her communications with members of other digital libraries concerning membership agreements. The "Recollection Wisconsin" digital library has hosting and harvesting applications rather than a membership agreement. Most of the digital libraries contacted only have copyright agreements and not membership agreements in place.

The LDC membership must make a philosophical decision about how membership pricing will be calculated:

1. Everyone pays the same; all expenses are divided equally among the members
2. Institutions pay based on the number of collections or number of items in the LDL.
3. Institutions pay based on size, i.e. operating budget.

Executive Director

Much of the discussion about business models and filing for tax exempt status was wrapped around eventually hiring an executive director at an attractive salary and with benefits. Several options were considered including hiring someone on a contract basis, which would alleviate the need to pay benefits.

Follow-up Items

- € Pat contacted James Duggan and he indicated he would talk with us; Diane will follow up and ask him:
 - What does it mean to be an incorporator – legal implication?
 - Can we get a non-profit status with the IRS and a tax ID without filing with the SOS?
 - What amount of money collected do we have to spend yearly to remain a non-profit?
 - Does the registered agent have to be a person or can it be an officer of the executive board?
- € Once Diane gets answers to these questions, Pat may ask Stanley Wilder if:
 - We could house the executive director at LSU.
 - Is there a way an executive director could get LSU employee benefits?
 - Would Stanley, as treasurer, agree to be the registered agent and have his name on the SOS website until such time that a new treasurer is elected in 3 years.
 - Could LSU's address be used in filing with the SOS?
- € Pat will ask Lance how the SALAM staff was set up.
- € Diane will create several business models based on the various criteria for determining member pricing. She will also look at South Carolina; they have their business model and documentation online: <http://www.scmemory.org/content/documentation>
- € Carol will send a letter to members explaining the anticipated January billing and reminding them to pay the existing LOUIS invoice. The letter should go out before the end of August.
- € Carol, Diane, Sharon and 2 Debbies are working on membership agreement/letter of commitment/letter of authority.
- € Diane will write up notes from this meeting and send to the Board.
- € Diane will post notes from this meeting and the July 25th meeting to the larger group.
- € Jeff Rubin is waiting on permissions from OCLC to remove the LOUIS brand from the LDL website and fix the footers.

The meeting ended at 12:45. The next Board meeting will be September 19th.