

**Resolution on Financial Autonomy of the American Library Association
Divisions and Units**

Whereas the American Library Association (ALA) is unique among American associations in the manner in which it is structured. It is one association, with indivisible assets and a single set of uniform administrative, financial, and personnel policies and procedures. It is governed by one Council, from which its Executive Board is elected, and is managed by an Executive Director who serves at the pleasure of that Board (ALA Policy A.4.3.4.2);

Whereas it is also the home for eleven Divisions (a

Whereas the Divisions will be kept informed about the Association's financial health and will be involved in meaningful consultation when there is potential impact on Divisions, collectively or individually (ALA Policy A.4.3.4.6 I);

Whereas ALA provides the support necessary for Divisions to conduct business and plan and present Conference programs (ALA Policy A.4.3.4.10);

Whereas each Division has autonomy in its own planning processes within its area of responsibility as designated by ALA Council, subject to present and future ALA policies (ALA Policy A.4.3.4.12);

Whereas the Annual-Operating agreement is a mandated item on the Planning and Budget Assembly (PBA) agenda. Division Boards review any Budget Analysis and Review Committee (BARC) recommendations and respond to BARC (ALA Policy A.4.3.4.4.C)

Whereas the ALA financial situation reached a crisis point in late 2019 requiring that ALA consolidate 100% of Division and Roundtable accumulated net revenue into a single fund not controlled by those units. This was done without adequate communication to the BARC, nor the Division Leadership;

Whereas the Divisions and Roundtables are required to maintain a budget and to pay for Basic Services with their Dues and contribute to ALA overhead, while generating revenue to support staff and carry out its programs.;

Whereas this situation inhibited the Divisions and Roundtables' autonomy, independence, and freedom to pursue goals and objectives of particular concern to them, as well as to participate democratically in the Division and Roundtables' direction, governance, and financial decisions by not being able to control the revenue they held in their base operating revenue; and

Whereas Divisions and Roundtables operations cannot use money from the General Fund to offset expenses for non-dues revenue-generating products and services. ALA basic services should not be wholly funded by Divisions and Roundtables, but by dues, revenue-generating products and services, and prudent management. ALA needs sound financial management across all of ALA. Divisions and Roundtables should maintain autonomy; now, therefore, be it

Resolved, that the American Library Association (ALA) by action of the Treasurer seeks permission from the Executive Director, Executive Board, Chair of BARC, and the respective Division President or Roundtable Chair, to transfer 25% or more of a Unit's fund balance from the unit's accumulated net revenue to supplement overhead cost, with an understanding that the transfer is ev0Z(r)9T-5.00Z(c)-5(e)-5.00Z(r)2.368)-22.368)-622527)1.50