

THE LIBRARY NETWORK

**PLAN OF SERVICE
AND
GOVERNANCE
2015**

Plan of Service Committee Recommendation
To Full Membership for a
New Plan of Service

As approved by vote of TLN members: July 17, 2015

As approved by The Library Network Board: September 17, 2015

Authorized by Library of Michigan: December 2, 2015

THE LIBRARY NETWORK PLAN OF SERVICE

Article I. NAME

The name of this cooperative library shall be The Library Network (“TLN”).

Article II. AUTHORITY

This Plan of Service is authorized and TLN is established under the terms of the State Aid to Public Libraries Act, Michigan Public Act 89 of 1977, as amended. This Plan of Service supersedes all previous TLN Plans of Service.

Article III. MISSION

To offer, provide and facilitate quality library and related services, by means of cooperation and collaboration among TLN’s member libraries and other libraries which may receive services from or through TLN.

Article IV. FULL MEMBERSHIP

A. Any local public library may become a full member of TLN if it complies with all of the following requirements:

1. The local public library shall be eligible by law for membership in TLN.
2. The local public library shall loan materials to other libraries participating in TLN, in accordance with TLN’s and the local library’s lending policies.
3. The local public library shall be available to all residents of the State under regulations adopted by its governing body, as provided by Section 9 of Article VIII of the Michigan Constitution of 1963.
4. The local public library shall otherwise comply with membership requirements as provided in Section 5 of the State Aid to Public Libraries Act, Public Act 89 of 1977.

Member libraries are encouraged to extend reciprocal borrowing privileges to residents of communities that share fully in the support of a member library of TLN.

See Appendix A – Reciprocal Borrowing

B. The governing body of a local public library that proposes to withdraw from membership in TLN shall adopt a resolution determining to do so, and shall file true copies of the resolution with the Cooperative Board of TLN (the “Cooperative Board”) and the Library of Michigan at least 180 days before the

end of TLN's fiscal year. Such withdrawal shall be effective at the end of TLN's fiscal year; provided, however, that such withdrawal shall not be effective until the local public library has fully satisfied all of its obligations to TLN.

Article V. ASSOCIATE MEMBERSHIP

- A. A local non-public library may become an associate member of TLN in accordance with this Article.
 - 1. An application for associate membership shall first be approved by the local non-public library's governing body and shall be submitted to TLN by an authorized official of the local non-public library.
 - 2. The application for associate membership shall be subject to approval by the Cooperative Board.
 - 3. The services to be provided by TLN to an associate member library shall be as stated in a written agreement between TLN and the associate member library. The agreement shall also include other relevant matters pertaining to the services to be rendered, the cost thereof and other matters upon which the parties may agree. The signed agreement shall be subject to review by TLN at specified intervals or shall have such termination and/or renewal provisions as are satisfactory to the parties.
- B. An associate member library shall not be eligible to vote in an election for Members of the Cooperative Board, nor may the associate member library vote on other TLN matters. However, all associate member libraries, acting as a group, may elect an ex-officio, non-voting member of the Cooperative Board. The library board or other governing body of each associate member library shall adopt bylaws that shall include nominating procedures for candidates for election as the ex-officio, non-voting member of the Cooperative Board, among other matters.
- C. An associate member library that proposes to withdraw from membership in TLN shall give written notice of the proposed withdrawal to the Cooperative Board at least 180 days before the end of TLN's fiscal year. The library's associate membership in TLN shall terminate at the end of TLN's fiscal year; provided, however, that such termination of membership shall not be effective until the associate member library has fully satisfied all of its obligations to TLN.
- D. If the Cooperative Board proposes to terminate its membership agreement with an associate member library, the Board shall adopt a resolution determining to do so and shall file a true copy of the resolution with the associate member library at least 180 days before the end of TLN's fiscal year; provided, however, that TLN's termination of the agreement shall not waive or terminate any unsatisfied obligations owed by the associate member library to TLN

Article VI. GOVERNANCE

A. The Cooperative Board

1. TLN shall be governed by a Cooperative Board consisting of nine persons (“Members”). Members shall be elected to the Cooperative Board and shall serve staggered three-year terms according to the following formula:

Class VI libraries shall together elect four Members.

Class V libraries shall together elect one Member.

Class IV libraries shall together elect one Member.

Class I, II and III libraries shall together elect one Member.

The Shared Automation System Users Group shall together elect one Member.

All Member libraries shall elect one At-Large Member

2. The Cooperative Board Members shall be elected as follows:
 - a. Member positions shall be filled by election. TLN shall announce available positions and seek nominations in June of each year. Candidates for election as Members representing a class of library for which a Member is to be elected shall be nominated by directors of member libraries that are in the same class, with the exception of the At-Large Member. Any Member library director within the Cooperative may nominate a candidate for the At-Large position. Similarly, candidates for election as the Member representing the Shared Automation System Users Group shall be nominated by directors of libraries that participate in the Shared Automation System.
 - b. Elections shall be held in August of each year with the election results announced no later than September 15th of that year. Each library shall cast one vote for each available Member position in the library class of which that library is a member. (For example, a Class VI library that participates in the Shared Automation System would be eligible to vote for Class VI Members, as well as the Shared Automation System Member).
 - c. New Members shall begin their terms on the Cooperative Board as of the October 1st immediately following their election.
 - d. Employees of TLN and employees of member libraries may not serve as Members of the Cooperative Board.
 - e. Any registered voter who resides in the cooperative area may, if elected (or appointed to fill a vacancy), serve on the Cooperative

Board.

- f. Each Member of the Cooperative Board shall have one vote.
 - g. If libraries join or withdraw from TLN, the composition of the Cooperative Board shall be reviewed and adjusted accordingly at the end of the fiscal year.
 - h. If a position on the Cooperative Board becomes vacant prior to the completion of a term, the Cooperative Board may appoint an eligible person to serve as a Member until the position is filled for the balance of the unexpired term at the next regularly scheduled election of Members.
3. The Cooperative Board shall have powers and duties as specified in Michigan Public Act 89 of 1977.
 4. The Cooperative Board shall also include the following additional, ex-officio non-voting Members: (1) the Cooperative Director; (2) Steering Committee representative; and (3) an associate member library representative. The Cooperative Board may create additional ex-officio non-voting positions on the Cooperative Board as circumstances require.
 5. The Cooperative Board meetings shall be held monthly or at such other time or times as the Board may determine.
 6. The officers of the Cooperative Board shall be a Chairperson, a Vice-Chairperson, a Secretary and a Treasurer. The duties of the officers shall be specified in the Cooperative Board Bylaws.

B. Steering Committee.

1. The Steering Committee shall advise and make recommendations to the TLN Director and the Cooperative Board on issues pertaining to TLN and shall annually review the proposed budget and services offered or facilitated by TLN.
2. The Steering Committee shall consist of 7 members. All members of the Steering Committee shall be directors of full member libraries. Members of the Steering Committee shall serve staggered two-year terms in an ascending alphabetical order (A-Z) according to the following formula:

One representative from each Class: VI, V, IV and I-III

Three at large representatives

3. The Steering Committee shall meet eight times per year, or at such other times as it shall determine, to discuss and make recommendations to the Cooperative Board on matters which may be considered by the Cooperative Board and other matters and issues concerning TLN goals, objectives and operations.
4. The Steering Committee meetings shall be open to the boards and staff of all TLN member libraries (whether full or associate members).

C. Membership Council.

1. The Membership Council shall be composed of one representative from each member library. Meetings of the Council shall be open to the library board members and staff of all member libraries (whether full or associate members).
2. The Membership Council shall meet at least four times a year. It shall serve as a forum for the member libraries and for the purpose of making recommendations to the Steering Committee.

D. Membership Voting

Voting on cooperative-wide issues shall be by ballot. Each member library which meets the requirements for receipt of state aid, shall be entitled to cast one vote.

Article VII. SERVICES

- A. Each full member in TLN is eligible for TLN services and privileges of membership based on the member's expenditure of the direct cooperative state aid and a portion determined by each member library of its Public Library Membership Grant. Those services funded with money provided by Public Act 89 of 1977, or any successor statute, and approved by a membership-wide vote are:

1. Operation costs:

TLN administrative overhead and plant operation

2. Services as facilitator:

Negotiations for vendor discounts, shared licensing, group purchases, etc.
Fiscal agent for development purposes
Grantsmanship and development
Representation of TLN at statewide and national meetings

3. Services as provider:

Delivery/courier services
Inter-library loan (except for lending library fees)

- B. In the event that the entire cooperative state aid is not needed to fund the items included in Section A above, the excess revenue shall be pro-rated, based on population, to member libraries and credited to their TLN Member Advances account.
1. Member libraries may deposit their membership portion of state aid or any other funds in their TLN Member Advances account.
 2. Money in TLN Member Advances accounts shall be used to purchase or provide only library services, materials or equipment.
- C. In the event that TLN does not have sufficient funds to provide the items in Section A above, the member libraries shall vote on how the shortfall shall be covered or an alternative service plan approved.
- D. Additional services, as identified by member libraries and approved by the Cooperative Board, shall be provided on a cost-recovery basis to member libraries that agree to pay for those services.
1. Planning and decision-making for additional services shall be solely the province of those member libraries that support such services financially, subject to approval by the Cooperative Board. Such additional services may include, but are not limited to, acquisitions, cataloging, automated computer services, telecommunications, youth services and continuing education.
 2. As the need indicates, TLN will utilize third-party services for the purpose of complying with member library requests for specific services. Such third-party services which may be utilized include, but are not limited to, Internet, WAN, e-mail services and cataloging services.
- E. TLN shall acquire, own, manage and operate a Shared Automation System ("SAS") for the exclusive use and benefit of the libraries that participate in SAS. SAS shall consist of such computer equipment, components, software and other appropriate devices, equipment, appurtenances and other associated items and materials, together with capital reserves and other monies, which are necessary or useful in providing SAS services being offered by TLN to the participating libraries.
1. TLN shall be the sole owner of SAS and all of its components and accessory equipment, irrespective of the sources or nature of the funds expended for the purchase, maintenance, repair, replacement,

improvement and augmentation of SAS, whether at the time of original acquisition or from time to time thereafter, as SAS may be modified.

Nevertheless, TLN shall own, manage and operate SAS for the exclusive use and benefit of the libraries which participate in SAS. In doing so, TLN shall at all times observe the high standard of care and respect for the interests of the participating libraries that would be expected if TLN were a trustee. Accordingly, all of the equipment, components and other items and materials comprising SAS shall be acquired, maintained, managed and operated, and all of the operating and capital funds of SAS shall be deposited, budgeted, invested, conserved and expended only for the exclusive use and benefit of the participating libraries, and for no other uses or purposes, nor for any other beneficiaries. Such obligations on the part of TLN with respect to SAS and the participating libraries shall be binding upon all successors and assigns of TLN, whether such successors or assigns arise by operation of law, agreement, instrument of conveyance, alleged rights of possession or in any other manner or circumstance.

TLN shall implement and maintain such obligations by means of such legal instruments, depository agreements and other means so as to assure that the assets of SAS, including its operating and capital funds, shall not be subject to decisions or actions inconsistent with the above-stated obligations to and for the participating libraries. It is the specific intent of this Plan of Service that the above-stated obligations by TLN with respect to SAS shall survive the termination or dissolution of TLN, however accomplished, and shall bind in equal force and measure any other party established or arising in the place of TLN or otherwise following its termination. Such obligations shall be binding upon the State of Michigan, any authority or instrumentality of the State or any subdivision thereof or other entity, whether established by legislation, agreement or other undertaking.

These provisions are not intended, nor shall they be construed, to prevent the proper distribution of the net assets of SAS in the event of TLN dissolution or other adverse circumstance, as provided for in Article X. Accordingly, actions by the Cooperative Board in accordance with Article X shall not be deemed in contravention of the provisions of this paragraph 1.

Participation by a library in the use of SAS shall be conditioned upon the library's acceptance, execution and full compliance with the terms of a Participation Agreement with TLN and all of TLN's policies and procedures regarding the management, operation and funding of SAS.

2. Libraries that use SAS shall be members of the Shared Automation System Users Group ("SASUG"), which is hereby established. SASUG

shall have the following powers and authority with respect to the operation of SAS:

- a. To make recommendations concerning fiscal and budgetary matters involving SAS. SASUG will work cooperatively with TLN to develop an annual operations budget of SAS; the budget shall be submitted for recommendation at an annual meeting of SASUG.
 - b. To consider and recommend policies for the use and operations of SAS; such policies shall be consistent with TLN policies.
 - c. To make recommendations regarding technology issues and matters involved in or pertaining to SAS.
 - d. To make recommendations regarding service contracts involving or pertaining to SAS.
 - e. To make recommendations regarding pending applications of proposed new participants in SAS.
 - f. To adopt bylaws and rules, not inconsistent with this Plan of Service and the TLN bylaws and policies, for the governance of SASUG.
3. In the event of a dispute or disagreement, or a reasonable likelihood of a dispute or disagreement, with respect to a significant matter involving TLN and SASUG and relating to SAS, the parties shall earnestly, in good faith, attempt to resolve or avoid the dispute or disagreement by means of the dispute-resolution procedures described in this paragraph 3.
- a. For purposes of this provision, a significant matter relating to SAS means a subject, issue, problem or potentiality of SAS-wide importance and involving, by way of example, the operations, budgeting, capital expenditures, purchase or replacement of equipment, technical issues and other matters that have or may have generally SAS-wide impact or effect; provided, however, that upon the agreement of the Cooperative Board and SASUG, any other matter involving SAS may be the subject of this dispute-resolution procedure.
 - b. Either the Cooperative Board or SASUG, or both of them, by majority vote of their members or by such other vote as their respective bylaws may provide, may initiate the dispute-resolution procedure. The procedure shall be commenced by a letter sent by the commencing party to the other party. The letter shall state in detail (1) the significant matter as to which there is or may be dispute or disagreement; (2) the opinion or point of view of the

commencing party as to the matter; and (3) a suggested time and place for the representatives of the parties to meet and discuss the matter and attempt to resolve it.

- c. Once the dispute-resolution procedure is commenced, neither the Cooperative Board nor SASUG shall make a decision or take an action that would adopt, implement or confirm the disputed matter, or any material aspect thereof, nor otherwise change the status quo as to the matter, until the dispute-resolution procedure has been completed in accordance with these provisions.
- d. Upon receiving the initiating letter from the commencing party, or upon both parties exchanging such letters, the non-initiating party, or each party if both have provided such letters, shall respond by letter within ten days, stating its opinion or point of view as to the matter and agreeing to meet for discussion at the suggested time and place, or proposing some other time and place for that purpose. By subsequent communication, the parties shall agree on the time and place. Each party shall have the obligation to cooperate in good faith as to the scheduling of the meeting, and shall not avoid the same in order to delay the potential resolution of the stated dispute.
- e. The representatives of the Cooperative Board and SASUG shall then meet at the agreed-upon time and place. Such representatives shall have been granted authority by the Board or SASUG, respectively, to agree to a binding decision as to the disputed matter. There shall be at least two persons representing the Board and SASUG, respectively.
- f. The parties shall discuss the disputed matter seriously and in good faith, with a view to resolving it fairly, without rancor, and in a manner respectful of the other's concerns and willingness to compromise in the interest of reaching understanding or agreement.
- g. The parties may agree to continue their discussions at other times and places, for so long as reasonable progress toward resolution is being made or seems possible upon further discussion or effort. If the representatives of a party earnestly believe that further discussion is fruitless, those representatives shall offer their reasons for such belief and permit the representatives of the other party to respond. Neither party shall be required to attend a subsequent meeting, however.
- h. If the parties, by their representatives, reach a resolution of the matter to their mutual satisfaction, the decision or result shall be

B. Sources of Revenue

1. TLN may raise, apply for and accept funds from all lawful sources and by all lawful and authorized means. Such funding may include state aid provided to cooperative libraries and other state-provided funds; other publicly provided funds; and fees charged and received by TLN for services it renders. In addition, each member library shall spend a portion of its Public Library Membership Grant to support such optional services selected by each respective library under the terms of Public Act 89 of 1977 or any successor statute.
2. Associate members shall be assessed a fee annually by TLN, in addition to charges for individual library services provided, on a cost-recovery basis. Such fees shall be due and payable at the beginning of each TLN fiscal year or at the time an associate member is accepted by TLN.
3. TLN may apply for and receive gifts and grants from public or private sources. Such funds may be used for special projects or other particular undertakings, or otherwise as designated by the Cooperative Board, consistent with the terms of the gift or grant.
4. TLN may contract or otherwise agree with other libraries agencies, governmental bodies, educational institutions or others for the providing of library services or the sale of materials, for the purpose of raising funds for TLN uses and purposes.

C. Budget Approval Process

1. TLN's fiscal year shall be October 1 through September 30. Not later than June 30 of each year, TLN administrative staff shall prepare a draft budget for TLN for the ensuing fiscal year, and present the draft budget to the Steering Committee for review.
2. Upon receiving the draft budget from the Steering Committee, the Cooperative Board shall review the draft budget, make such changes in the budget as it may determine and vote to approve the draft budget, either as submitted by the Steering Committee or as revised by the Board. Thereafter, the Cooperative Board shall convene a public hearing on the budget, following the providing of notice of the hearing as required by law. Following the public hearing, the Cooperative Board shall consider and adopt the budget for the ensuing fiscal year, not later than October 1.

D. Billing for Services Rendered

1. TLN shall invoice member libraries and others for services rendered or as to other amounts owed, within sixty days after the service is provided or after the payment obligation arises. With respect to payment for some TLN services, the member libraries or others receiving the services may

be required to establish deposit accounts and to deposit monies therein for the direct payment of services or other obligations.

2. The Cooperative Board may adopt policies and procedures regarding all aspects of billing for services rendered, required periods of time for payment of invoices, penalties for late payment and other policies for the purpose of assuring prompt receipt of monies in return for services rendered or in payment of other amounts owed.

Article IX. AMENDMENTS

This Plan of Service may be amended in accordance with the following procedures or in accordance with such other procedures and actions as may be required by law:

- A. The Cooperative Board shall provide at least ten days' written notice to the library boards of full member libraries summarizing or otherwise describing the proposed amendment or amendments.
- B. The Cooperative Board shall provide reasonable opportunity for the library boards of full member libraries to comment on the proposed amendments; notice of the date, time and place of a meeting of the Cooperative Board at which comments will be received, shall be given; such notice may be included in the notice described in Section A, above.
- C. The proposed amendments shall be approved by a majority vote in the manner described in Article VI, Section D.
- D. The Cooperative Board shall submit the Plan of Service amendments to the State Department of History, Arts and Libraries, or its statutory successor, and shall thereupon inform the member libraries that such submission has taken place. The Board shall distribute a copy of the Plan amendments, as submitted to the State Department of History, Arts and Libraries or its statutory successor, to each member library.

Article X. DISSOLUTION; DISTRIBUTION OF NET ASSETS

- A. In the event of dissolution of TLN, all debts and other monetary obligations shall be paid or otherwise satisfied. After the payment or other satisfaction of such debts and obligations, the remaining net assets of TLN shall be distributed to and among the member libraries in accordance with a plan of distribution prepared and adopted by the Cooperative Board.
 1. The plan of distribution shall specify the net assets of TLN that are to be distributed to the member libraries, and shall specify the methodology, formula or other basis upon which such assets shall be so distributed. In developing the basis or formula for distribution, the Cooperative Board members shall endeavor to accomplish the distribution in the manner that

seems to them to be fair and reasonable, giving consideration to facts and circumstances they reasonably believe to be relevant or determinative.

2. The plan of distribution may specify differing methods, formulas or approaches for the distribution of various net assets or various types of net assets.

Among other matters, the plan of distribution shall determine the reasonable distribution of the net assets of the Shared Automation System (“SAS”) owned and operated by TLN. The assets thereof shall include all of the equipment, components and other parts, elements and aspects of SAS, together with SAS’s net operating funds on hand and the remaining funds in the Capital Reserve Fund and other monies, if any, belonging or allocated to SAS.

3. The distribution of the net assets of SAS in the event of TLN dissolution shall be made solely to the libraries which are participants in SAS at the time of dissolution of TLN and which are fully current in payment of all of their respective obligations to TLN. The Cooperative Board shall endeavor, if circumstances permit, to distribute the net assets of SAS in a manner that may enable users of SAS to receive the use and benefit of SAS in a manner substantially consistent with the use of SAS prior to TLN dissolution.
4. The plan of distribution may specify that the patron and bibliographic records applicable to each participating library in SAS shall be given or otherwise distributed to each respective participating library.
5. The plan of distribution may determine, among other matters, that the non-monetary assets of SAS shall be sold, and thereby be converted to money, and such resulting funds may then be distributed as specified more fully in the plan of distribution. The plan may also determine whether any of the remaining non-monetary assets of SAS have no appreciable value, and in that event, such assets may be contributed to suitable organizations other than member libraries or they may otherwise be disposed of.
6. The plan of distribution shall determine with finality the distribution of all remaining net assets upon dissolution of TLN. No library, municipality, state or local governmental agency or other party not designated in the plan as a recipient shall have any right to any remaining net asset of SAS, irrespective of the basis of any asserted claim.

- B. The Cooperative Board shall convene a public hearing on the draft plan of distribution. A notice of the date, time, place and purpose of the public hearing shall be sent by first-class U. S. mail to each member library, at least ten days prior to the date of the hearing. The notice shall also state that a copy of the draft plan of distribution may be examined at the administrative offices of TLN during

normal office hours. Notice of the public hearing shall otherwise comply with applicable provisions of the Michigan Open Meetings Act. At the public hearing, interested persons may comment on the draft plan of distribution and the proposed adoption thereof. Written comments shall also be received at or prior to the hearing. Following the hearing, the Cooperative Board may adopt the plan of distribution as originally prepared or with such revisions, additions, or deletions as the Board may approve.

- C. In addition, the net assets of TLN, whether in whole or in part, may be distributed in accordance with a plan of distribution prepared and adopted by the Cooperative Board, in the event of adverse circumstance other than dissolution of TLN. Such adverse circumstance may include a reduction in or a failure of funding, whether from state or other sources, such that in the determination of the Cooperative Board, further ownership or operation of specified assets is no longer feasible or possible. In such event, the same standards of fairness and reasonableness in the distribution of any such net assets shall apply, as in the case of the above-stated circumstance of dissolution. Prior to adopting the plan of distribution, the Cooperative Board shall convene the public hearing described in Section B of this Article, and shall provide the same notice of hearing and carry out the same procedures as are specified in Section B.

THIS PLAN OF SERVICE WAS ADOPTED BY THE COOPERATIVE BOARD OF TLN ON THE 17TH DAY OF SEPTEMBER 2015, AND WAS APPROVED BY THE MEMBERSHIP ON THE 17TH DAY OF JULY 2015.

Secretary, TLN Cooperative Board

Dated 17th September in the year 2015

Appendix A RECIPROCAL BORROWING

The policy and procedure outlined below is strongly encouraged, but is not a requirement of membership for TLN libraries.

Reciprocal Borrowing (RB): the policy of allowing patrons from other TLN member libraries to borrow materials. RB is a voluntary program whereby TLN member libraries agree to extend in-person borrowing privileges to the patrons of other RB libraries.

All member libraries are encouraged to...

- Provide the same RB privileges to all other participating Reciprocal Libraries.
 - In the event that any single library's patrons borrow more than 5% of any other member library's circulation (or any branch's circulation), the loaning library is encouraged to place a limitation on the number of items individuals may borrow.
- Accept contractual communities as equal members of the contracting library's population.
- Provide access to ALL materials to TLN member library RB patrons.
- Provide access to services and programs where feasible to TLN member library RB patrons.
- Decline borrowing privileges to all Non-Residents who may purchase a Non-Resident card from another TLN member library. (Non-Resident cards provide access ONLY to the library from which they are purchased, NOT the co-op.)
- Alert TLN to any divergence from this policy which a library board may approve.

Communicating the Closure of a Library or Branch

- It is the responsibility of any library which is closing either temporarily or permanently to alert other TLN libraries as soon as possible.
- It is requested that libraries which are in the process of closing remain as transparent as possible to other TLN libraries.
- It is suggested that a press release type memo be created for distribution to reciprocal patrons (a fact sheet with local contacts so that RB patrons are not caught in the lurch of a closing).
- The Director of the closing library should send a notice to the TLN Directors list and the TLN Executive Director at least 8 weeks in advance of the actual closing. This notification should include:
 - Date of Closure to the public

- Last lending date to the public
- Last date staff will be available to answer questions, etc. (and a phone number whereby other libraries can reach those staff)
- Notification as to whether the closing is temporary or permanent, and which library buildings are included in the closing.

Conflict Mediation:

- In the event of issues of contention between two or more libraries, TLN is willing to act as a mediator to find an equitable solution to the problem.
- The TLN Director will work with boards or library directors to seek solutions, and may put together a group of directors to work toward equitable resolutions to problems.
- If such mediation is of interest, involved parties should contact the TLN Director.
- This mediation is non-binding.

**Appendix B
POLICY AND DISPUTES**

When there is a dispute concerning the cooperative library to which a public library shall belong, services rendered to member libraries, or the operations of a cooperative system which cannot be resolved on the local level, the State of Michigan Legislative Council may hear the case. The decision of the Legislative Council shall be final.

The general policy of the Library of Michigan shall be to encourage all parties to resolve their disputes at the local level. If a dispute cannot be resolved, the Library of Michigan may be asked to lend its good offices to investigate and to mediate the problem.

The Library of Michigan will not recommend that a dispute be heard by the Legislative Council unless each of the following steps has been taken and documented:

1. The director of the public library concerned shall have met with the cooperative director and attempted in good faith to resolve any problem.
2. If a resolution of the problem is still not possible, the board of each library concerned, following a review of the issue, shall petition the cooperative director and board in writing for redress of the matters in dispute specifying the remedies sought.

3. The cooperative director shall present the petition to the cooperative board (within 90 days), along with his or her recommendations. The cooperative director shall report the conclusions to the board to all parties concerned, promptly and in writing.
4. If this effort is not sufficient to resolve the dispute, the matter shall be reported to the State Librarian by the board of the cooperative or by the board of the complaining library, with copies of all documentation.
5. The State Librarian shall extend the good offices of the Library of Michigan in an effort to mediate and to resolve the dispute.
6. If mediation fails to resolve the issue, the State Librarian will refer the matter to the Library of Michigan Board for review, together with the recommendation and the documentation of the matters in dispute.
7. When all mediation efforts have been exhausted, including review by the Library of Michigan Board, the State Librarian will refer the matter to the Legislative Council for review, together with a recommendation and the documentation on the matters in dispute.
8. The Legislative Council shall decide whether or not to review the problem. If the Legislative Council decides to hear the matter, a decision by the Legislative Council shall be final.