

NORTHERN MICHIGAN LIBRARY NETWORK BY-LAWS

ARTICLE I AUTHORITY AND MEMBERSHIP

Section 1: Authority

The authority for the establishment of the Northern Michigan Library Network is 1967 Public Act 7, the “Urban Cooperation Act.”

The “Urban Cooperation Agreement between the Superiorland Library Cooperative and Member Libraries,” henceforth known as ‘the Agreement,’ executed by participating public libraries on **March 21, 2008** established the Northern Michigan Library Network.

Under 1967 PA 7, the participating public library members of the Northern Michigan Library Network have the authority to jointly exercise any power, privilege or authority that agencies share in common and might each exercise separately.

The NMLN shall operate as a separate legal entity under the terms of the Agreement and any future revisions of the Agreement by participating public libraries.

Section 2: Membership

The Members of the Northern Michigan Library Network are as follows:

Dickinson County Library
Peter White Public Library
Superiorland Library Cooperative
West Iron District Library

Section 3: New Membership

A request by a public agency to join the Northern Michigan Library Network shall be submitted to the NMLN Board of Directors President. Within 30 days of receipt, the NMLN Board Chair will submit the request for new membership to the NMLN Board and to each of the participating public library members. Within 60 days of receipt, the public libraries shall provide a written response.

ARTICLE II GOVERNING BOARD OF DIRECTORS

Section 1: Identity and Terms

The governing body of the NMLN shall be a Board of Directors consisting of seven (7) voting members selected by participating public library boards. Any adult resident of the NMLN's service area who has been selected by a member library board to represent that respective library shall be eligible to serve on the Board of Directors.

NORTHERN MICHIGAN LIBRARY NETWORK BY-LAWS

Should the Superiorland Library Cooperative cease to be a participating public agency to the Agreement, the NMLN Board of Directors shall be five (5) voting members selected by participating public library boards, as stated in the Agreement.

All NMLN Board Members shall be appointed by member public libraries as set forth below. After initial terms, board members will serve terms of four (4) years.

- a. Superiorland Library Cooperative (SLC) shall appoint two Board members. Of the two Board Members initially appointed by SLC, one shall serve a three (3) year term and one shall serve a two (2) year term beginning on March 21, 2008.
- b. The Peter White Public Library Board shall appoint two Board members. Of the two Board members originally appointed by the Peter White Public Library, one shall serve a two (2) year term and one shall serve a one (1) year term beginning on March 21, 2008.
- c. The Dickinson County Library shall appoint two Board members. Of the two Board member initially appointed by Dickinson County Library, one shall serve a three (3) year term and one shall serve a one (1) year term beginning on March 21, 2008.
- d. The West Iron District Library shall appoint one Board member. The Board member initially appointed by the West Iron District Library shall have a one (1) year term beginning on March 21, 2008.

Section 2: Duties of the Board

The NMLN Board shall have the following authority:

- a. Enter into contracts in the name of the NMLN.
- b. Acquire, construct, manage, lease, maintain, or operate buildings, works, or improvements.
- c. Acquire, hold, lease or dispose of Property subject to the terms of this Agreement.
- d. Incur debts, liabilities, or obligations that, except as expressly authorized by the member public libraries, do not constitute the debts, liabilities, or obligations of any of the member public libraries.
- e. Cooperate with a public agency, an agency or instrumentality of that public agency, or another legal or administrative entity created by that public agency under 1967 PA 7.
- f. Do anything necessary to assist member public libraries in providing a shared automation system(s), technical support and training services as directed by the member public libraries.

Section 3: Vacancies on the Board

NORTHERN MICHIGAN LIBRARY NETWORK BY-LAWS

A vacancy shall occur if a Board Member resigns, dies, or is removed. The public library member that appoint the Board Member whose position has become vacant shall appoint a replacement within two (2) months of the vacancy and such replacement shall serve until the end of the term of the Board Member being replaced. In the event no such replacement shall have been appointed by the appropriate Party at the end of the two-month period, the NMLN Board shall have the power to appoint such replacement, whose term shall extend to the end of the term of the NMLN Board Member being replaced.

Section 4: Removal of Board Members

Each Board Member of the NMLN Board may be removed by the appointing public library member at will. Terms

Section 5: Delegation of Authority

The Board of Directors may in any instance designate one or more officers or agents to execute any contract, conveyance, lease, mortgage or other instrument on behalf of the NMLN, and such authority may be general or confined to specific transactions. The Board of Trustees may also ratify any execution. When the execution of any instrument has been authorized without specifying the executing officers or agents, the President or the Secretary/Treasurer may execute such instrument on behalf of the corporation

Section 6: Limitation of Personal Liability of Volunteer Directors.

No Board Member of NMLN shall be personally liable to NMLN, the Parties or the Member Libraries for monetary damages for breach of the director's fiduciary duty; provided, however, this provision shall not eliminate or limit the liability of a Board Member for any of the following:

- a. A breach of the Board Member's duty of loyalty to NMLN or the Member Libraries;
- b. Acts or omissions not in good faith or that involve intentional misconduct or a knowing violation of the law;
- c. Board members who vote for, or concur in, any of the following NMLN Actions are jointly and severally liable to NMLN for the benefit of its creditors or NMLN Member Libraries, to the extent of any legally recoverable injury suffered by such persons as a result of the action but not to exceed the amount unlawfully paid or distributed:
 - i. Distribution of assets contrary to this Agreement;

NORTHERN MICHIGAN LIBRARY NETWORK BY-LAWS

- ii. Distribution of assets as provided in Section VI. C without paying, or adequately providing for, all known debts, obligations, and liabilities of NMLN.
- ii. Making of a loan to a Board Member, NMLN Member Library, or employee of NMLN contrary to law.

However, a Board Member is not liable under this Section V.F.3.c if the Board Member discharged the duties of that position in good faith and with that degree of diligence, care, and skill which an ordinarily prudent person would exercise under similar circumstances in a like position. In discharging the duties, the Board Member, when acting in good faith, may rely upon the opinion of counsel for NMLN, upon the report of an independent appraiser selected with reasonable care by the NMLN Board, or upon financial statements of NMLN represented to the Board Member as correct by the Chairperson or Board Member of the NMLN having charge of its books or account, or as stated in a written report by an independent public or certified public accountant or firm of accountants fairly to reflect the financial condition of the NMLN.

- d. A transaction from which the Board Member derived an improper personal benefit;
- e. An act or omission occurring before the effective date of this Agreement; or,
- f. An act of omission that is grossly negligent.

ARTICLE III OFFICERS OF THE BOARD OF DIRECTORS

Section 1: Identity

The Officers shall be a president and a secretary/treasurer elected at the annual meeting from among the voting board members, who shall be serving on the Board of Directors during the fiscal year immediately following the annual meeting.

Section 2: Term of Office

After the initial terms of office, all terms shall be one (1) year. All terms of office begin on March 21 2008.

Section 3: Duties

The Officers shall perform the duties generally associated with their offices and such others as may be designated by the Board.

NORTHERN MICHIGAN LIBRARY NETWORK BY-LAWS

ARTICLE IV FISCAL RESPONSIBILITIES

Section 1: Fiscal Year

The fiscal year for the NMLN shall be from October 1 through September 30, except that the first fiscal year will be from 21 March 2008 through 30 September 2008.

The Superiorland Library Cooperative shall be the Fiscal Agency for the NMLN, with all the rights and duties in Exhibit D to the Agreement, which is the Fiscal Agency Contract.

The Superiorland Library Cooperative Board or the Northern Michigan Library Network Board may terminate the Fiscal Agency Contract at any time. Upon termination, the Fiscal Agent will turn over all NMLN records to NMLN.

Section 2: Funding

Funds for the NMLN will be kept in separate accounts from any local library. The Board must approve an annual budget and will review expenditures at regular times.

The NMLN will complete an annual independent audit report. The audit will be presented to the NMLN Board of Directors and the Boards of participating public libraries. The audit report will be filed with the Local Audit Division of the Department of Treasury as prescribed by law.

The Agreement provides for funding the NMLN in Sec II Funding.

The NMLN may accept any gift, contribution or other funding authorized by law, including contributions from its members.

Financial statements will be presented at each Board meeting.

ARTICLE V MEETINGS

Section 1: Regular Meetings

Regular meetings of the Board of Directors shall be held no less than 2 times a year with the times and locations for the meetings to be determined by the Board of Directors at the annual meeting.

Section 2: Annual Meeting

The annual meeting shall be held in September and shall be for the purpose of election of the Officers and Annual Budget for the new fiscal year.

NORTHERN MICHIGAN LIBRARY NETWORK BY-LAWS

Section 3: Special Meetings

Special meetings may be called by the president or at the written request of 3 members of the Board of Directors..

Section 4: Quorum

A quorum for the transaction of business shall consist of a majority of the total membership.

Section 5: Meetings

The Board of Directors may choose to meet in person or by electronic means, including phone conference, video conference, or desktop conferencing, as long as Board members have a means to interact and to vote.

Section 6: Authority for Rules of Order

Situations not covered by these by-laws or by the policies of the Board shall be governed by Roberts Rules of Order, Revised.

Section 7: Open Meetings Act.

Regular and special meetings of the Board of Directors shall be held in compliance with the Michigan Open Meetings Act.

ARTICLE VI COMMITTEES

In most matters the Board shall act as a committee of the whole, but temporary committees may be appointed at the discretion of the President of the Board. The temporary committee shall be considered discharged upon completion of its assignment and final report to the Board.

ARTICLE VII GENERAL

Section 1: Amendment of the By-Laws.

The By-Laws may be amended by a 2/3 majority vote of members present at an official meeting of the Board provided that the amendment was included in the call for the previous meeting and was discussed at said meeting.