

COOPERATIVE INFORMATION NETWORK OPERATING AGREEMENT

Origination: August 2011

Updated: October 2013, November 2013, January 2014, August 2017, March 2023

Mission Statement: It is the overriding intent that the Cooperative Information Network (CIN) integrated system will be available to member libraries and their communities. Therefore, the members agree to act in good faith and in the spirit of mutual benefit and cooperation to achieve this goal. Member libraries have voluntarily agreed to join CIN in order to improve their own and other member libraries' ability to deliver quality materials and services to their patrons.

Effective March 15, 2023, Cooperative Information Network, a joint powers entity, through its membership agrees as follows:

ARTICLE I: NAME AND FORM OF ORGANIZATION

- Section 1.1 Name.** The name shall be Cooperative Information Network (hereinafter "CIN").
- Section 1.2 Principal Office.** CIN is organized as an Idaho Joint Powers Entity located at the Post Falls branch of the Community Library Network, 821 N. Spokane Street, Post Falls, ID 83854. CIN may have such other offices as the governing body may designate or as the business of CIN may require from time to time.
- Section 1.3 Registered Office.** CIN is registered as a nonprofit entity under the Idaho Nonprofit Corporation Act (hereinafter "Act") and its office is to be maintained in the State of Idaho, and shall be located at the Post Falls branch of the Community Library Network, 821 N. Spokane Street, Post Falls, ID 83854.
- Section 1.4 Joint Powers Agreement.** A Joint Powers Agreement was entered into on the 1st day of April, 1984 and most recently amended on June 21, 2017 (hereinafter "JPA"). All member libraries signed the JPA at the time they joined CIN. From the JPA: "Since each of the members provides library services to the citizens of the States of Idaho and Washington, and since each of the members requires more efficient and effective means of delivering said services, it has been determined that such efficient and effective means can most economically and expeditiously be obtained through the joint efforts of the members. The members do mutually agree to establish the Cooperative Information Network hereinafter referred to as CIN. The purpose of the Cooperative Information Network is to acquire, own, and operate or contract for the services of a 'turn-key' computerized online automated system with all the benefits such a shared system can provide."

ARTICLE II: GOVERNING BODY AND MEMBERS

Section 2.1 Governing Body. Per the JPA, CIN will be administered by a governing body consisting of the library boards of the members. Each library board will have one vote, represented through the participation of the respective library directors or their proxies. All decisions of the Governing Body will be determined by a simple majority.

(a) **Number of Members.** The Governing Body shall consist of one representative from each of the member libraries.

(b) **Other Representatives.** Staff members from all CIN libraries are welcome and encouraged to attend monthly meetings as non-voting participants.

Admission to membership. Any library may be admitted as a member of CIN upon approval of the Governing Body and payment of the assessments, dues, and fees set by the Governing Body who will establish criteria for membership. In applying for membership libraries shall fulfill such criteria as are in existence as of the time of the application. Conditions of membership and procedures for the suspension or termination of a membership by CIN are described in Article VI. of this operating agreement. Each library shall be responsible for the assessments, dues, and fees set by the governing body for any year in which such library continues to be a member. Each member library agrees to abide by the policies created by the membership.

ARTICLE III. MEETINGS

Section 3.1 Meetings. The Governing Body will generally meet monthly for the purpose of transacting such business as may come before CIN, in accordance with the Idaho Open Meetings Act.

(a) **Special Meetings.** A president or a member of the Governing Body may call special meetings of the members for any purpose or purposes which may include an all-day retreat. The president shall call a special meeting of the members upon the written request of members having at least one-tenth (1/10) of the votes entitled to vote at such meeting.

(b) **Place of meeting.** The president of the Governing Body may designate any place as the location for any meeting. These meetings are generally held at the Coeur d'Alene Public Library, 702 E. Front Avenue, Coeur d'Alene, Idaho 83814, on the third (3rd) Wednesday of each month at 10:00 a.m.

- (c) **Notice of meetings.** Notices shall be provided in accordance with the Idaho Open Meetings Act. Additionally, the secretary, the president, or members of the Governing Body shall endeavor to give notice to as many members as reasonably practicable by email.
- (d) **Officers of the members meetings.** The presiding officer or officers at members' meetings shall be the president or, in the absence of the president, a chairperson elected by the members present at the meeting.
- (e) **Quorum and voting requirements.** Fifty (50) percent plus one of the members entitled to vote, represented in person or electronic attendance, shall constitute a quorum at a meeting of members. The members present at a duly organized and convened meeting where a quorum has been present can continue to do business as a quorum until adjournment, notwithstanding the withdrawal of enough members to leave less than a quorum. If a quorum is present, the affirmative vote of the majority of the members represented at the meeting and entitled to vote on the subject matter shall be the act of the members, unless the vote of a greater number is required by this operating agreement.
- (f) **Proxies.** Proxies are valid.

ARTICLE IV: MANAGEMENT AND ADMINISTRATION

Section 4.1 Conflict of Interest.

- (a) **Disclosure.** Any member of the Governing Body who has an interest in a contract or other transaction presented to the Governing Body or a committee thereof for authorization, approval, or ratification shall make a prompt and full disclosure of their interest to the Governing Body or committee prior to its acting on such contract or transaction. Such disclosure shall include any relevant and material facts known to such a person about the contract or transaction that might reasonably be construed to be adverse to CIN's interest. Additionally, the following steps must be followed if a member wishes to participate.
 - (i) The contract is competitively bid and the member or their relative submits the low bid.
 - (ii) Neither the member nor their relative takes any part in the preparation of the contract or bid specifications, and the member takes no part in voting on or approving the contract or bid specifications.

(iii) The member makes full disclosure, in writing, to all members of the Governing Body of their interest, or that of a relative, and of their or their relative's intention to bid on the contract.

(iv) Neither the member nor their relative has violated any provision of Idaho law pertaining to competitive bidding or improper solicitation of business.

(b) **Financial benefit.** No member of the Governing Body shall cast a vote on any matter which has a direct bearing on services to be provided by that member, or any organization which said member represents or which such member has an ownership interest or is otherwise interested or affiliated, which would directly or indirectly financially benefit such member. All such services will be fully disclosed or known to the members of the Governing Body present at the meeting at which such contract shall be authorized.

Section 4.2 Officers. The officers of CIN shall be a president and a secretary each of whom shall be elected by the Governing body. Such other officers and assistant officers as may be deemed necessary may be elected or appointed by the Governing Body.

Section 4.3 Officers Election, Term of Office and Duties.

(a) **Officers.** The officers of CIN shall be elected every odd year at the January meeting of the Governing Body. Nominations will be an item on the agenda of the month preceding the election, with a slate of nominees voted on at the next meeting. If the election of officers shall not be held at such meeting, such election shall be held as soon as practicable thereafter. Each officer shall hold office until a successor shall have been duly elected and shall have qualified, until such officer's death, or until such officer shall resign or shall have been removed in the manner hereinafter provided. Any officer or agent may be removed by the Governing Body whenever in its judgment the best interests of CIN will be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed. Election or appointment of an officer or agent shall not of itself create contract rights.

(b) **President.** The president shall be elected by the Governing body for a term of two years. The president shall be the principal executive officer of CIN and, subject to the control of the Governing Body, shall in general supervise and control all of the business and affairs of CIN. The president shall, when present, preside at all meetings of the members of the

Governing body. The president may sign, with the secretary or any other proper officer of CIN thereunto authorized by the Governing Body, any promissory notes, deeds, mortgages, leases, contracts, or other instruments that the Governing Body has authorized to be executed, except in the cases where the signing and execution thereof shall be expressly delegated by the Governing Body or by this operating agreement to some other officer or agent of CIN, or shall be required by law to be otherwise signed or executed. The president shall perform all duties incident to the office of president and such other duties as may be prescribed by the Governing Body from time to time. The president will create agendas, arrange meeting places, run meetings or perform any other duties of the office.

- (c) **Secretary.** The secretary shall attend all meetings of the Governing Body and shall prepare and maintain proper minutes of those meetings. The secretary shall in general perform all duties incident to the office of secretary and such other duties as from time to time may be assigned to the secretary by the president or the Governing Body.
- (d) **Treasurer/Fiscal and Operating Agent.** Per the JPA, the Community Library Network is designated as the treasurer/fiscal and operating agent for so long as CIN is a component unit of Community Library Network for auditing purposes. The position of treasurer/fiscal and operating agent is appointed by the Government Body.

ARTICLE V. MISCELLANEOUS

Section 5.1 Hold Harmless. A member is not liable to the entity, any member, or any other person for any action taken or not taken as a member. Further, any liability is limited by the terms of the Idaho Tort Claim Act as it now exists or is subsequently amended.

Section 5.2 Books and Records. At its registered office or principal place of business, CIN shall keep:

- (i) Correct and complete books and records of account.
- (ii) Minutes of the proceedings of its members and Governing Body.
- (iii) A record of the names and addresses of all Members. Any books, records and minutes may be in written form or in any other form capable of being converted into written form within a reasonable time.

- Section 5.3 Loans.** No loans shall be contracted on behalf of CIN and no evidences of indebtedness shall be issued in its name unless authorized by a resolution of the Governing body. Such authority may be general or confined to specific instances.
- Section 5.4 Contracts.** The Governing Body may authorize any officer or officers, agent or agents of CIN, in addition to the officers so authorized by this operating agreement, to enter into any contract or execute and deliver any instrument in the name of and on behalf of CIN, and such authority may be general or confined to specific instances.
- Section 5.5 Checks, Drafts, etc.** All checks, drafts, or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of CIN, shall be signed by such officer or officers, agent or agents of CIN as provided in operating agreement or in such manner as shall from time to time be determined by the Governing Body.
- Section 5.6 Deposits.** All funds of CIN not otherwise employed shall be deposited from time to time to the credit of CIN in such banks, trust companies or other depositories as the Governing body may select.
- Section 5.7 Gifts.** The Governing body may accept on behalf of CIN any contribution, gift, bequest or devise for the general purposes or for any special purpose of CIN.
- Section 5.8 Annual Financial Statements and Budget.** The fiscal agent will prepare an annual budget to be presented to the Governing Body for approval.
- Section 5.9 Fiscal Year.** The fiscal year of CIN shall begin on the first day of October and end on the last day of September in each year.
- Section 5.10 Regulation of Internal Affairs.** The internal affairs of CIN shall be regulated as set forth in this operating agreement to the extent that this operating agreement are lawful under the Act. With respect to any matter not covered in this operating agreement, the provisions of the Act shall be controlling so long as such provisions of the Act are not inconsistent with the lawful provisions of this operating agreement.
- Section 5.11 Amendments.** This operating agreement may be altered, amended or repealed and a new operating agreement may be adopted by the Governing Body of CIN at any regular or special meeting.
- Section 5.12 Representation.** If and when a new member library is added, the Governing Body must review this operating agreement regarding the size of the Governing Body and representation.

ARTICLE VI. WITHDRAWAL

Section 6.1 Voluntary Withdrawal. Per the JPA, any member may withdraw from CIN upon receipt by the Governing Body of written notice of intention to withdraw. Such notice must be given at least 180 days in advance of withdrawal. Any member who withdraws according to the terms of and conditions set forth in this agreement shall receive a copy of their borrower file and item file for the cost of the print-out and materials. The withdrawing library shall not be entitled to the recovery of any monies paid to CIN. If the central site hardware must be moved, the allocation of relocation costs shall be the responsibility of the Governing Body.

Section 6.2 Grievance Policy.

(a) Whenever any member library in CIN believes that another member library has breached a provision of the Standard Practice and Policies, that member shall provide written notice of the alleged breach to the violating member library and to the Governing Body, which shall attempt to resolve the dispute with the member libraries.

(b) If the alleged breach is not corrected within 30 days of the provision of notice, or within any extended period agreed to by the Governing Body, the Governing Body may then pursue any remedies permitted by law or by the JPA. In addition, if a member library commits a substantial breach that is not corrected as provided herein, the Governing Body may vote to expel the member library.

Section 6.3 Expulsion. The CIN Governing Body may terminate the membership of any member for violation of the current criteria for membership by an affirmative vote of three-fourths (3/4) of the entire Governing Body at a special meeting of the board called for that purpose. Notification of such meeting must be furnished to the member library not less than thirty (30) days prior to the meeting date, indicating in writing the nature of the cause(s) for the Governing Body's contemplated action. The member's representative will be entitled to attend the member meeting, and present such information as the member believes to be relevant to the Governing Body's consideration prior to voting. The effective date of termination of CIN membership will be determined by the Governing Body, but may not be less than ninety (90) days after the approval of a resolution to expel unless an earlier date is mutually agreed upon in writing by the Governing Body and the expelled member.

Section 6.4 Appeals. Any member library subject to the corrective measures detailed in Section 6.2 above or elsewhere in this operating agreement or through the JPA, may choose to appeal these measures by writing to the Governing Body.

Section 6.5 Arbitration. In the event of an unresolved disagreement between any single (or several) member libraries and CIN, the member libraries in conflict may mutually choose to seek resolution via binding arbitration.

Section 6.6 Rights and Obligations of Withdrawing Libraries. Any member that withdraws or is terminated according to the terms of this article shall receive a machine-readable copy of its patron and materials records, and its current transaction file upon discharge of all obligations due to CIN. Costs associated with removal of records from the CIN database, production of the copy, including but not limited to necessary computer programming, processing, computer tape and incidental supplies, etc., will be borne by the withdrawing or terminated consortium.

- (a) A withdrawing or terminated library will not be entitled to reimbursement for any assessments, dues, or fees already paid. A withdrawing or terminated library may claim any equipment to which it holds clear title. All expenses associated with the removal and relocation of such equipment will be borne by the withdrawing or terminated library.
- (b) The withdrawal or termination of any library for any reason shall not relieve that library from the obligation to discharge any and all obligations due and payable by it to CIN, including obligations undertaken by the member for the fiscal year or other period immediately preceding the effective date of withdrawal.
- (c) Notwithstanding any other provision of this article, a contracting library who, because of a change to this operating agreement which constitutes a violation of a term of such contract, withdraws according to the terms of that contract shall not bear the costs of withdrawal described above and shall not be subject to the notice requirements of this article. Such library will be provided with a copy of their records as described above at no cost to them.