This meeting of the Board of Trustees of OCLC Online Computer Library Center, Inc., pursuant to the notice of the Secretary dated September 1, 2016, and in accordance with Article VII, Section I, of the Code of Regulations of OCLC Online Computer Library Center, Inc., convened at 8:31 a.m., local time, on September 12, 2016, at the Executive Boardroom at OCLC, 6565 Kilgour Place, Dublin, Ohio. Ms. Yee presided as Chair and Ms. Presas kept the minutes of the meeting, except during the executive sessions, when Mr. Roselle kept the minutes.

**Trustees present:**
- Berndt Dugall
- Cindy Hilsheimer
- Kathleen Keane
- Barbara Lison
- James Neal
- Loretta Parham
- John Patrick
- Barbara Preece
- David Roselle
- John Szabo
- Ellen Tise
- Sandra Yee
- Jennifer Younger

**Trustees absent:**
- Brady Deaton

Also, present for all or portions of the meeting:
- David ("Skip") Prichard, President & Chief Executive Officer
- Katie Birch, Executive Director, Resource Sharing
- Andrew Bordas, Vice President, Management and Customer Operations
- Bruce Crocco, Vice President, Library Services for the Americas
- Lorcan Dempsey, Chief Strategist, Vice President Membership & Research
- Jeff Jacobs, Chief Information Officer
- William ("Chip") Nilges, Vice President, Business Development
- Julie Presas, General Counsel & Vice President of Legal Services
- William Rozek, Chief Financial Officer
- Tammi Spayde, Vice President, Corporate Human Resources, Marketing, Facilities
- Mary Sauer-Games, Vice President, Global Product Management

Chair Yee called the meeting to order, and welcomed the Trustees and members of the executive management team. The Chair recognized Mr. Prichard, Ms. Spayde and team for the completion of the building renovation project. Chair Yee congratulated Ms. Presas for receiving a C-suite Award from Columbus Business First, as well as Ms. Parham for receiving an outstanding Alumni Award from the University of Michigan School of Information. Chair Yee announced a change to the meeting agenda to move the Membership Committee report to follow the President’s report. Chair Yee then inquired as to whether there were any additional changes to the meeting agenda, at which none were suggested. Chair Yee then inquired as to any changes, objections to, removals from or discussion of the meeting minutes.
There being no changes, she requested a motion to approve the minutes of the June 13, 2016 Board of Trustees Meeting. Upon a motion duly made and seconded, the Trustees approved the minutes by a unanimous vote of Trustees present.

The Chair then called for the President’s report. Mr. Prichard asked that the Board look to his written report for details, which was previously provided to the Trustees. Mr. Prichard then provided an overview of corporate initiatives for FY17, and highlights of the significant accomplishments from FY16 including investments in technology infrastructure, the Kilgour building renovation and others. As part of this presentation, Mr. Prichard asked Mr. Dempsey to provide an update on the Knight Foundation award to OCLC for a project that will promote collaboration between public libraries and Wikipedia. Mr. Prichard then introduced Ms. Sauer-Games to speak about key initiatives for the resource sharing line of business in FY17. Ms. Sauer-Games provided an overview of the priorities and timelines for each, review of the revenue from resource sharing services, and highlighted OCLC’s points of differentiation. She then introduced Ms. Birch to present on one of the key initiatives for resource sharing. After discussion, Mr. Prichard delivered final remarks and thanked the team for their work. The Chair commended the team for the excellent presentations. This concluded the President’s report.

The Chair then called for the report of the Membership Committee. Ms. Parham asked Mr. Dempsey to report on the Global Council recommendations related to strengthening member engagement and improving OCLC’s governance structure. Mr. Dempsey provided an overview of the recommendations developed by the Global Council Executive Committee, and indicated that these recommendations were sent to the member delegates and they have had a chance to review and provide additional feedback. The Global Council Executive Committee will be meeting in Leiden later in the week to discuss the feedback received from member delegates and will determine next steps. Mr. Dempsey noted that he and Ms. Presas will be attending the meeting and will keep the Board informed on significant developments. After discussion from the Board related to strengthening engagement and interaction between the Board and the membership, Ms. Parham thanked Mr. Dempsey for the update. This concluded Ms. Parham’s report.

The Chair then called the meeting into executive session at 10:41 a.m. with Mr. Prichard present for the first part of the session. Other than a short break, the Board continued in executive session until 11:28 a.m. at which time the meeting was called back into open session.

The Chair then delivered the Chair’s report. She asked that the Board look to her written report for details, which was previously provided to the Trustees, and called out the success of the OCLC reception during the IFLA conference. This concluded the Chair’s report.
The Chair then reported that the Executive Committee met with all members present. The Executive Committee discussed potential locations for the June 2017 board meeting and will provide additional details during the board meeting in November. The Chair reported that the Executive Committee had also received an update on the Global Council Executive Committee proposal to strengthen member engagement and improve OCLC’s governance structure. The Committee Chairs also reviewed important topics, which will be discussed during the Committee meetings. This concluded the report of the Executive Committee.

The Chair then requested the Committee on Technology Planning report. Mr. Patrick reported that the Committee did not hold a meeting in September. The Committee will next meet in November to review key technology infrastructure projects and security efforts. This concluded Mr. Patrick’s report.

The Chair then called for the report of the Audit Committee. Ms. Younger reported that the Committee met with all members present, and had: (i) reviewed OCLC’s audited financial statements, (ii) discussed the findings of the auditors, (iii) reviewed the letter of required communications to the Audit Committee, (iv) spent time with the auditors in executive session without management present, (v) reviewed the language to be included in OCLC’s Annual Report, (vi) received an update on the strategy for internal audit and enterprise risk management efforts, and (vii) discussed the plan for Conflict of Interest forms and disclosures which will be distributed to the Board following this meeting. The Chair then called the meeting into executive session at 11:42 a.m. with Mr. Prichard, Mr. Rozek, Ms. Spayde and Ms. Presas present. The Board continued in executive session until 11:52 a.m. at which time the meeting was called back into open session. Following the executive session, Ms. Younger introduced a resolution, which was recommended by the Committee, to approve the results of the audit. Chair Yee brought forward the following resolution to the Board for their approval:

RESOLUTION

RESOLVED, that the Deloitte & Touche audit report for the year ended June 30, 2016, be and the same is hereby accepted.

Needing no second, and with no further discussion, the resolution was voted on and approved by a unanimous vote of Trustees present. This concluded Ms. Younger’s report.

The Chair then called for the report of the Personnel and Compensation Committee. Mr. Neal indicated that the Committee met with all members present, and had: (i) reviewed and discussed the FY16 results for the Management Incentive Plan (the “MIP”), (ii) reviewed and discussed results for the Long Term Incentive Plan (the “LTIP”), (iii) reviewed the goals for the upcoming fiscal year LTIP, which will be
discussed in more detail during executive session, and (iv) discussed the President & CEO performance appraisal, which will be reported on further during executive session. This concluded Mr. Neal’s report.

The Chair then called for the report of the Board Governance Committee. Mr. Roselle reported that the Committee met with all members present, and had: (i) discussed the succession process for the Board Chair position, which will be discussed in more detail during executive session, (ii) received an update on proposed changes to OCLC’s governance structure, (iii) reviewed and finalized board committee assignments for next year, and (iv) received an update on committee orientation for incoming Trustees, new chairs and new members of committees. Mr. Roselle also reported that resolutions appointing trustees and officers, as well as approving committee assignments, will be presented to the full Board for approval during the November meetings. This concluded Mr. Roselle’s report.

The Chair then called for the report of the Finance and Investment Committee. Ms. Hilsheimer reported that the Committee met with all members present, and had: (i) reviewed the operating results for FY16, (ii) reviewed the details of the corporate operating plan (the “COP”) and debt portfolio, and (iii) received an update on projects and capital expenditures. This concluded Ms. Hilsheimer’s report.

Chair Yee then convened the meeting in executive session at 12:05 p.m. with Ms. Spayde, Mr. Prichard and Ms. Presas present for certain portions of the session. Mr. Szabo was present for some of the executive session but stepped out of the room for a portion of the discussion. The Board continued in executive session until 1:08 p.m., at which time the Chair re-convened the Board in open session.

During the executive session, the Board separately moved and approved the following 3 resolutions by unanimous vote of all Trustees present:

RESOLUTION

WHEREAS, the Personnel & Compensation Committee (the “Committee”) of OCLC Online Computer Library Center, Inc. (the “Corporation”) recognizes the importance of member engagement as a core value shared throughout the organization;

WHEREAS, the Committee has completed its review of the Long-Term Incentive Plan Objectives (LTIP) and results for FY2016 and objectives for FY2017 and FY2018;

WHEREAS, the Committee has discussed the measurement of voting in elections as an indicator of member engagement, and determined election voting is not an effective measure for member engagement or for the LTIP participants;

WHEREAS, the LTIP is comprised of two other measures;
NOW THEREFORE BE IT RESOLVED, that the measure of election voting and the category of member engagement be removed from LTIP objectives effective as of the beginning of the FY2017 plan year, and the corresponding weight be assigned to the revenue objective.

FURTHER RESOLVED, that the recommendations of the Committee apply to all participants in the LTIP.

FURTHER RESOLVED, that the appropriate officers of the Corporation from Human Resources and Finance be, and they hereby are, each authorized to do such acts and things as they or any of them individually shall deem necessary or appropriate to carry out the purposes of the foregoing Resolution.

RESOLUTION

WHEREAS, the Personnel & Compensation Committee (the “Committee”) of OCLC Online Computer Library Center, Inc. (the “Corporation”) has completed its review and recommendations regarding certain compensation matters related to the Corporation’s officers as identified by the Committee and presented to the Board (each, a “Corporate Officer”), including (i) fiscal year 2016 incentive compensation payout awards under the Corporation’s Long-Term Incentive Plan (“LTIP”) and Management Incentive Plan (“MIP”), (ii) base salary determinations for fiscal year 2017, (iii) MIP performance objectives and target awards for fiscal year 2017; and (iv) LTIP objectives and target awards for fiscal year 2018;

WHEREAS, the Committee has presented its recommendations regarding such compensation matters to the Board, and the Board deems it advisable and in the best interests of the Corporation to adopt such recommendations as presented;

NOW THEREFORE, BE IT RESOLVED, that the recommendations of the Committee regarding fiscal year 2016 LTIP and MIP payout awards for specified Corporate Officers who are eligible to receive LTIP and MIP payout awards (as identified by the Committee and presented to the Board) be and the same hereby are approved as presented;

FURTHER RESOLVED, that the recommendations of the Committee regarding the fiscal year 2017 base salary for each Corporate Officer (to be effective as of September 1, 2016), MIP performance objectives and target awards for fiscal year 2017, and LTIP performance objectives and target awards for fiscal year 2018 for those who are eligible to participate in the LTIP and MIP (as identified by the Committee and presented to the Board) are hereby approved as presented; and

FURTHER RESOLVED, that the Corporation’s President and CEO, CFO and Vice President, Corporate Human Resources be, and they hereby are, each authorized to do such acts and things as they or any of them individually shall deem necessary or
appropriate to carry out the purposes of the foregoing Resolution.

RESOLUTION

WHEREAS, the Personnel & Compensation Committee (the “Committee”) of OCLC Online Computer Library Center, Inc. (the “Corporation”) has completed its review and recommendations regarding certain compensation matters related to the Corporation’s President and CEO, including (i) fiscal year 2016 incentive compensation payout awards under the Corporation’s Long-Term Incentive Plan (“LTIP”) and Management Incentive Plan (“MIP”), (ii) base salary determinations for fiscal year 2017, (iii) MIP performance objectives and target awards for fiscal year 2017, and (iv) LTIP objectives and target awards for fiscal year 2018;

WHEREAS, the Committee has presented its recommendations regarding such compensation matters to the Board, and the Board deems it advisable and in the best interests of the Corporation to adopt such recommendations as presented;

NOW THEREFORE, BE IT RESOLVED, that the recommendations of the Committee regarding the President and CEO’s LTIP and MIP payout awards for fiscal year 2016 are hereby approved as presented;

FURTHER RESOLVED, that the recommendations of the Committee regarding the President and CEO’s fiscal year 2017 base salary (to be effective as of September 1, 2016) and MIP and LTIP performance objectives and target awards for fiscal year 2017 and 2018 respectively are hereby approved as presented; and

FURTHER RESOLVED, that the appropriate officers of the Corporation from Human Resources and Finance be, and they hereby are, each authorized to do such acts and things as they or any of them individually shall deem necessary or appropriate to carry out the purposes of the foregoing Resolution.

The Chair then inquired if there was any further business. There being no further business to come before the Board at this time, a motion to adjourn was moved, seconded and unanimously approved by all Trustees present at 1:10 p.m.

Sandra Yee, Chair

Julie Presas, Secretary