

OCLC ONLINE COMPUTER LIBRARY CENTER, INC.
Meeting of the Board of Trustees
February 7, 2011

This meeting of the Board of Trustees of OCLC Online Computer Library Center, Inc., pursuant to the notice of the Secretary dated January 25, 2011, and in accordance with Article VII, Section I, of the Code of Regulations of OCLC Online Computer Library Center, Inc. convened at 8:15 a.m., local time, on February 7, 2011 at the OCLC Conference Center, 6600 Kilgour Place, Dublin, Ohio, 43017. Mr. Alford presided as Chair and Mr. Houfek kept the minutes of the meeting, except during the executive sessions, when Mr. Barry kept the minutes.

Trustees present:

Larry Alford
Edward W. Barry
Maggie Farrell
Tony Ferguson
Kathleen Imhoff
Jay Jordan
David Lauer
Bernadette Gray-Little
James Neal
Bruce Newell (via conference telephone)
Elisabeth Niggemann
John Patrick
David Roselle
Brian Schottlaender
Betsy Wilson

Trustees Absent:

Sandra Yee

Also, present for all or portions of the meeting:

Bruce Crocco, Vice President, Library Services for the Americas
Cathy De Rosa, Vice President of the Americas & Global VP of Marketing
Lorcan Dempsey, Vice President, Programs and Research & Chief Strategist
James T. Houfek, Vice President, General Counsel and Secretary
Jim Michalko, Vice President, RLG Programs
Robin Murray, Vice President, Global Product Management
George Needham, Vice President, Global & Regional Councils
Chip Nilges, Vice President, Business Development
Julie Presas, Assistant General Counsel
Gene Oliver, Executive Director, Systems Management
Rick J. Schwieterman, Executive Vice President, Chief Financial Officer
Tammi N. Spayde, Vice President, Human Resources
Mike Teets, Vice President, Innovation
Eric van Lubeeck, Managing Director, EMEA
Andrew Wang, Vice President, OCLC Asia Pacific
Greg Zick, Vice President, Global Engineering
Jim Wilson, Partner at Vorys, Sater, Seymour & Pease

Mr. Alford began the meeting by extending the Board's congratulations to Mr. Jordan and the OCLC staff for being nominated for two innovation awards from TechColumbus. The Chair then inquired as to whether there were any changes to the meeting agenda, and there being none, Mr. Alford then inquired as to any changes, objections to, removals from or discussion of the proposed consent agenda, and there being none, he requested a motion to approve the consent agenda. Upon motion duly made and seconded, the Board of Trustees unanimously approved the consent agenda, which consisted of approval of the minutes of the November 15th, 2010 Annual and Special Board of Trustees meetings, as well as approval of the following resolutions:

PROPOSED RESOLUTION

RESOLVED, That Deloitte & Touche be engaged to perform the annual audit of the Corporation for the year ending June 30, 2011.

PROPOSED RESOLUTION

RESOLVED, that the proposed Charter for the Ad Hoc Committee on Technology Planning as presented to this Board be, and the same is, hereby approved. See Attachment A for the Proposed Charter.

Ms. De Rosa then delivered an updated report on the communications plan for the upcoming year. Following some discussion, Mr. Crocco presented a market review and update of the WMS service.

The Chair then called for the President's report. Mr. Jordan asked that the Board look to his written report for details, and mentioned that his letter to the OCLC membership contained in the newest issue of "NEXTSpace" magazine reflects on the thought that there is really nothing new about the "cloud" concept, since Mr. Kilgour had envisioned the same concept when OCLC was started back in 1967. That concluded Mr. Jordan's report.

Mr. Alford then delivered the Chair's report, indicating that he had nothing further to add to his written report contained in the Board's meeting materials, except that he wished to thank and congratulate all of the OCLC management and staff for their continued excellent work on behalf of libraries worldwide, especially their work on WMS, which is certain to be transformative for the entire library profession.

The Chair then called the Board into executive session at 9:17 a.m., and requested that the Strategic Leadership Team remain for the initial portion of the session. At 9:50 a.m., the Chair released the SLT (except for Board officers Mr. Houfek and Mr. Schwieterman) and the Board continued in executive session, until 10:20 a.m., at which time Mr. Alford called for a break.

At 10:45 a.m., Mr. Alford re-convened the Board in open session.

The Chair then reported that the Executive Committee had met, and had: (i) reviewed proposed dates for meetings the Board in 2012, which would be circulated to the Trustees for review and approval at the April meeting, (ii) discussed the plans and the agenda for the June Board meeting which will be held in Seattle, and (iii) discussed current corporate issues with Mr. Jordan. This concluded Mr. Alford's report.

The Chair then called for the report of the RLG Committee. Mr. Neal indicated that the Committee met, and had: (i) reviewed the current year's projects and activities, including cloud sourcing and the OCLC research report, "Taking Our Pulse", (ii) reviewed OCLC's performance under its monetary and staff contractual obligations to RLG and found it to be in full compliance, (iii) discussed the details of the transitioning and restructuring of the financial and general relationship between OCLC and the Research Partnership after June 30, 2011, and (iv) discussed the termination of the RISO corporate entity, which was set up by the RLG libraries at the time of the RLG/OCLC merger. That concluded Mr. Neal's report.

The Chair then called for the report of the Audit Committee. Ms. Farrell reported that the Committee met with all members present, and had: (i) reviewed and approved the Deloitte audit engagement letter (approved in the consent agenda above), (ii) reviewed new accounting /reporting guidelines with the Deloitte staff, (iii) reviewed the Board and management Conflict of Interest forms (including a plan for review of the form language at the April meeting) (iv) discussed a first draft of a Code of Ethics for the Board, with further action being taken on same at the April meeting, and (v) discussed a draft of OCLC financial policies in the form of FAQ's to be made available online on the OCLC website. That concluded Ms. Farrell's report.

The Chair then called for the report of the Personnel and Compensation Committee. Mr. Lauer indicated that the Committee met, and had: (i) reviewed the Committee Charter with no changes being recommended, (ii) discussed the hiring status of a new inclusion manager with the understanding that the position would be filled in the near future, and (iii) communicated that the Committee had no action items for the Board at this time. This concluded Mr. Lauer's report.

The Chair then called for the report of the Board Governance Committee. Ms. Wilson reported that the Committee met, and had: (i) reviewed the new Trustee orientation plans, which are proceeding as planned, (ii) completed an evaluation of the joint planning retreat of the Board and senior management held in November, and (iii) discussed Trustee replacement candidates for future Board openings. This concluded Ms. Wilson's report.

The Chair then called for the report of the Finance Committee. Mr. Patrick reported that the Committee met with all members present and had: (i) reviewed the current financial position of the Company, including a review of the first half of FY2011 results, and (ii) reviewed the OCLC investment/endowment portfolio performance. The Finance Committee then opened the meeting up to all other trustees and the Senior Leadership Team for a joint meeting on general budget, sales and marketing issues for the future. Finally, Mr. Patrick indicated that the Committee would be reviewing Investment/Endowment portfolio policies, as well as potential product and service divestiture candidates at the April Committee meeting. This concluded Mr. Patrick's report.

Mr. Alford then requested the Ad-Hoc Committee on Technology Planning report. Mr. Schottlaender reported that the Committee met and had: (i) reviewed and approved a Charter for the Committee (which had been approved by the full Board within the consent agenda earlier in the meeting), and (ii) discussed issues of global architecture with Mr. Oliver and the discovery framework with Mr. Zick. That concluded Mr. Schottlaender's report.

The Chair then inquired if there was any further business, and there being none, Mr. Alford called the meeting into executive session at 11:16 a.m. There were no action items during the executive session, and at 12:50 p.m. a motion to adjourn was moved, seconded and unanimously approved by the Trustees.

Larry Alford, Chair

James T. Houfek, Secretary

ATTACHMENT A

OCLC Online Computer Library Center, Inc. Board of Trustees Ad Hoc Committee on Technology Planning Charter

In order to provide guidance to the Ad Hoc Committee on Technology Planning in fulfilling its responsibilities, this Ad Hoc Committee on Technology Planning Charter has been adopted by the Board of Trustees (Board) of OCLC Online Computer Library Center, Incorporated (OCLC). The Ad Hoc Committee on Technology Planning of the Board shall review and reassess this charter at the end of the 2011 calendar year. This assessment—which is to be submitted to the Board for approval—should include a recommendation on whether the Ad Hoc Committee on Technology Planning should continue and, if so, any proposed changes to its charter.

Ad Hoc Committee Role

The committee is responsible for facilitating dialog and communication between the OCLC management and the OCLC Board on matters related to technology. Specifically, the committee will advise on OCLC's engagement with emerging technologies that appear particularly well suited to helping libraries better serve their user communities.

Reflecting the interests, programmatic needs, and priorities of OCLC member libraries, the Committee serves as a source of information about relevant new and emerging technologies to: 1) OCLC management for assessment purposes and 2) the Board for purposes of evaluating the impact of such technologies on business strategy and resource allocation.

The committee will review the technology component of OCLC's Corporate Operating Plan (COP) with particular emphasis on the Enterprise Resource Plan, providing appropriate input to the Senior Leadership Team (SLT) and the Finance Committee, which recommends the COP to the Board for approval, and/or to the Board directly.

Ad Hoc Committee Membership and Organization

The initial Ad Hoc Committee on Technology Planning will comprise three members appointed by OCLC's Board of Trustees. A representative from the OCLC SLT will be designated by the President/CEO to serve as a liaison to the committee from management. The Chair of the Ad Hoc Committee on Technology Planning will report to the OCLC Board of Trustees. The Ad Hoc Committee shall be governed by OCLC's By-Laws and Code of Regulations.

Responsibilities

Although the Committee may consider additional duties from time to time, the general responsibilities of the Committee in carrying out its role are described below:

1.	Review management outlook for emerging and strategic technologies important to libraries and OCLC. Provide feedback to management and highlight appropriate issues to the board.	September
2.	Participate in the Board Strategic Retreat	November
3.	Provide report to Board, highlight issues, and establish outlook for emerging and strategic technologies important to libraries and OCLC	Feb
4.	Review technology component of the work program and proposed budget requirements; provide Finance Committee with comment and advice	April
6.	TBD	June
7.	Review and reassess charter	September