

OCLC, INC.  
Meeting of the Board of Trustees  
March 21, 2022

This meeting of the Board of Trustees of OCLC, Inc., pursuant to the notice of the Secretary dated March 10, 2022, and in accordance with Article VII, Section I, of the Code of Regulations of OCLC, Inc., convened at 11:16 a.m., local time, on March 21, 2022, via Microsoft Teams Meeting. Mr. Szabo presided as Chair and Ms. Presas kept the minutes of the meeting, except during the executive sessions, when Ms. Hilsheimer kept the minutes.

Trustees present:

Craig Anderson  
Theresa Byrd  
Brady Deaton  
Bernadette Gray-Little  
Cindy Hilsheimer  
Kathleen Keane  
Barbara Lison  
Skip Prichard  
Debbie Schachter  
Anja Smit  
Ginny Steel  
John Szabo  
Sarah Thomas  
Janet Walls  
Shirley Wong

Trustees absent:

None

Also, present for all or portions of the meeting:

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  
Bart Murphy, Chief Technology and Information Officer  
William Nilges, Vice President, Business Development  
Julie Presas, Vice President & General Counsel, Secretary  
William Rozek, Chief Financial Officer, Treasurer  
Mary Sauer-Games, Vice President, Global Product Management  
Tammi Spayde, Vice President, Human Resources, Marketing, Facilities  
Eric van Lubeek, Vice President, Managing Director, EMEA & APAC

The Chair called the meeting to order and welcomed the Trustees and members of the Executive Management Team. He also thanked Trustees and staff liaisons for their participation in Committee meetings on Sunday. The Chair then inquired as to whether there were any changes to the meeting agenda, at which time none were suggested. The Chair inquired as to any changes, objections to, removals from or discussion of the minutes of the November 15, 2021 Meeting of the Board of Trustees and the minutes of the November 15, 2021 Annual Meeting of the Board of Trustees, and there being none, he requested a motion to approve the minutes. Upon a motion duly made and seconded, the Trustees present approved the minutes by a unanimous vote.

The Chair then introduced Mr. Prichard to deliver the President's report.

Mr. Prichard asked that the Trustees look to his written report for details, which was previously provided. Mr. Prichard then provided an overview of the key themes to discuss. He then reported on OCLC's finances for FY22 year to date. As part of this presentation, Mr. Prichard also reported on significant sales wins in North America, EMEA and APAC, as well as challenges related to the Russian invasion of Ukraine. Mr. Prichard then provided a market outlook including the view of OCLC's main competitor. He also provided a status update on significant product and development initiatives for FY22. Mr. Prichard also reminded the Trustees about the FY22 theme Break Through and covered key highlights demonstrating how OCLC is helping libraries overcome challenges, increasing the efficiency of libraries, increasing the impact of libraries and advancing the value of libraries. Mr. Prichard reported these internal and external efforts have been well received by OCLC members and staff. Mr. Prichard then provided an organizational update including the plans for staff to return to the office. After discussion, Mr. Prichard delivered final remarks and thanked the Trustees for their support. The Chair commended Mr. Prichard and team for the excellent presentation. This concluded the President's report.

The Chair then called for a break at 12:50 p.m. The meeting reconvened at 1:21 p.m.

The Chair then delivered the Chair's report. He mentioned that the Los Angeles Public Library has received an IMLS grant to develop a program on early childhood literacy. During interactions with IMLS Director Crosby Kemper, he noted the extraordinary work of Sharon Streams and Lorcan Dempsey on the REALM Project. The Chair also thanked Trustees for their thorough and timely completion of confidentiality and conflict of interest disclosure forms. The Chair also mentioned that he attended the recent Membership Committee meeting and was pleased with the strong interactions between the Board and Global Council members. Lastly, he reported that he has regular, ongoing communication with Mr. Prichard. This concluded the Chair's report.

The Chair then reported that the Executive Committee met with all members present. The Chair reported that, during its meeting on Sunday, the Executive Committee had: (i) discussed planning for the Board meetings to be held in Montréal and thanked Anna Ryan for her work in in planning, (ii) reviewed the preliminary board meeting schedule for 2023, which will be distributed to the full Board after the meeting, (iii) reviewed the Committee charter with no changes recommended, (iv) discussed the agendas for the Committee meetings in March, and (v) received a preview of the President's report presentation from Mr. Prichard. This concluded the report of the Executive Committee.

The Chair then called for the report of the Audit Committee. Ms. Gray-Little reported that the Committee met with all members present, and had: (i) received an update from OCLC's outside audit firm

BDO on FY23 financial audit planning and updated accounting standards impacting OCLC, (ii) discussed the appointment of BDO to conduct the annual financial audit, (iii) reviewed the committee charter with no changes recommended, (iv) received a report from Ms. Presas about the Trustees and EMT conflict of interest disclosures, (v) received an overview of the internal audit process with auditors from Schneider Downs & Co, (vi) received an update about corporate insurance coverage including details about OCLC's Directors and Officers liability insurance, and (vii) received an overview of the enterprise risk assessment and process from Mr. Bordas. Ms. Gray-Little then brought forward the following resolution to the Board for their approval:

### **RESOLUTION**

RESOLVED, that BDO USA LLP be engaged to perform the annual audit of the Corporation for the year ending June 30, 2022.

Needing no second, and with no further discussion, the resolution was voted on and approved by a unanimous vote. This concluded Ms. Gray-Little's report.

The Chair then called for the report of the Board Governance Committee. Ms. Steel reported that the Committee met with all members present and had: (i) reviewed the committee charter with no changes recommended and (ii) discussed the process for Board Chair succession planning, which will include input from the full Board. The Committee deferred the review of former Trustee exit survey results to the June meeting. Ms. Steel noted there are additional items which will be covered during executive session. This concluded the Board Governance Committee report.

The Chair then called for the report of the Personnel and Compensation Committee. Ms. Keane indicated that the Committee met with all members present and had: (i) reviewed and discussed the results of the executive compensation market analysis conducted in March 2022 by consultant Meridian Compensation Partners, (ii) reviewed current forecasts for MIP and LTIP payments, and (iii) reviewed the committee charter, with no changes needed. This concluded Ms. Keane's report.

The Chair then called for the report of the Membership Committee. Ms. Byrd reported that the Committee met on March 16, 2022 with all but one member present and had: (i) opened the meeting with introductions of Committee members, (ii) received a final update on the adoption of the changes to the membership definition, (iii) reviewed the Membership Committee charter and operating guidelines, with no changes recommended, and (iv) received an update on activities of the Board of Trustees and the Global Council. The Committee will meet in June to begin the process of identifying candidates to recommend to the Global Council Nomination Committee. This concluded Ms. Byrd's report.

The Chair then requested the Technology Committee report. Ms. Thomas reported that the Committee met with all members present and had: (i) reviewed the committee charter with no changes recommended, (ii) received an update from Mr. Rozek on the implementation efforts for OCLC's back-office systems, (iii) received a report from Ms. Presas and Mr. Murphy on OCLC's investments and efforts related to data privacy and security, and (iv) received an update from Mr. Murphy on key product-related technology initiatives. This concluded Ms. Thomas's report.

The Chair then called for the report of the Finance and Investment Committee. Mr. Deaton reported that the Committee met with all but one member present and had: (i) reviewed year-to-date operating results for FY22 and future projections, (ii) received an overview of OCLC's processes surrounding the filing of 990 and 990T tax returns, (iii) received an update on OCLC's investment portfolio from Highland Consulting, and (iv) reviewed the committee charter and determined no changes are necessary. This concluded Mr. Deaton's report.

Following the Committee reports, the Chair shared his reflections about Mr. Dempsey's contributions to OCLC and offered the following resolution for approval:

**RESOLUTION  
LORCAN DEMPSEY TRIBUTE**

WHEREAS, Lorcan Dempsey has served loyally, diligently and effectively as OCLC's Vice President for Membership and Research, and Chief Strategist of OCLC Inc. from July 2001 to April 2022; and

WHEREAS, Lorcan is a visionary thinker with a keen capacity to assess and describe library and information trends; and

WHEREAS, Lorcan has overseen the formation and evolution of the Membership and Research Division at OCLC including a significant realignment of membership over the last few years, culminating in the recent major expansion of membership with more inclusive criteria; and

WHEREAS, throughout Lorcan's service to OCLC, he has been an instrumental part of OCLC's leadership team and also a tireless advocate within OCLC for libraries, social concerns and inclusivity; and

WHEREAS, Lorcan has been a major influence on library thinking globally through his writing, speaking and social presence; and

WHEREAS, Lorcan has been an outstanding advocate for OCLC, and helped the Board focus on pivotal issues at hand, thereby making OCLC a stronger organization; and

WHEREAS, the OCLC Board of Trustees is deeply grateful to Lorcan for his over 20 years of service to the members of OCLC.

NOW, THEREFORE BE IT RESOLVED, that the OCLC Board of Trustees expresses its deep gratitude and appreciation to Lorcan Dempsey for his outstanding contributions to OCLC and for his steadfast devotion to OCLC's purpose of sharing the world's collected knowledge so that libraries can fuel learning, research and innovation; and

BE IT FURTHER RESOLVED that this resolution be included in the minutes of this meeting and shared with the membership of OCLC.

The above resolution was moved, seconded and approved by unanimous vote. The Chair expressed his deep gratitude to Mr. Dempsey for his service to OCLC. Each Trustee then conveyed their thanks and praise to Mr. Dempsey.

The Chair then convened the meeting in executive session at 2:09 p.m. Ms. Presas, Ms. Steel and the Chair were present for parts of the session. The Board continued in executive session until 2:21 p.m., at which time the Chair re-convened the Board in open session.

The Chair then asked 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 at 2:22 p.m.



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John Szabo, Chair



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Julie Presas, Secretary