MSL Cooperative Services Agreement

Library Partner Information

What Is This Agreement?

The MSL Cooperative Services Agreement is a formal, legally binding intergovernmental agreement between the Montana State Library (MSL) and your Library. It establishes the foundational framework for your library's participation in one or more MSL-administered cooperative services - such as the Montana Shared Catalog (MSC), Courier Services, OCLC Group Services, Resource Sharing Groups, and MontanaLibrary2Go.

MSL is authorized under Montana law (MCA 22-1-103, 22-1-328, and 22-1-329) to establish and administer these statewide resource-sharing programs on behalf of Montana libraries.

How Does It Work?

The Agreement uses an **Umbrella Agreement-plus-addenda structure**:

- **The Umbrella Agreement** (what you're signing) sets the shared rules that apply to all services: confidentiality; data security; governance; indemnification; term; and how disputes are handled.
- **The individual addenda** (Addendum A, B, C, etc.) are attached for each specific service your library opts into. Each addendum covers service-specific terms, costs, and participation requirements.

Signing the umbrella Agreement does not automatically enroll your library in any service. Each service requires its own signed addendum. You choose which services to participate in.

MSL's Responsibilities

Area	What MSL Does
Administration	Procures, contracts, and manages vendor agreements for all covered services
Fiscal Agent	Acts as fiscal agent for most services (except Courier, where you pay the vendor directly)
Technical	Maintains system infrastructure, security, backups, and troubleshooting
Policies	Establishes and maintains system-level policies for cooperative services
Records	Maintains agreement records and ensures compliance with State retention requirements
Data Security	Implements administrative, technical, and physical safeguards consistent with Montana law and statewide IT standards (SITSD)
Vendor Oversight	Ensures contracted vendors comply with library records confidentiality requirements and State IT data storage policies

Your Library's Responsibilities

Area	What Your Library Does
Service Use	Implement services per addendum terms and MSL/consortium policies
Financial	Pay any fees associated with services your library is enrolled in
Governance	Participate in governance bodies (e.g., MSC Members Council) for services you use
Data Handling	Handle all patron data with reasonable care, consistent with the Montana Library Records Confidentiality Act
Communication	Notify MSL promptly of issues, changes, or concerns affecting service delivery
Third-Party Vendors	Obtain preapproval from MSL *before* purchasing any third-party service that integrates with an MSL-administered system
Records	Maintain accurate local records and data as specified in each addendum

Frequently Asked Questions

Is this an MOU or a contract - and is it binding?

Montana libraries and MSL have operated these cooperative services together in good faith for more than 20 years - and that will not change. **The purpose of this Agreement is not to redefine those relationships, but to document and memorialize them.** It puts in writing what has already been working well, so that obligations, expectations, and protections are clear for both sides as staff and leadership change over time.

That said, this is a formal, legally binding intergovernmental agreement - not a handshake. It is grounded in MSL's statutory authority under MCA Title 22 and carries the same enforceability as a state contract. The legal formality is a feature, not a threat: it protects your library just as much as it protects MSL, by clearly defining what each party is responsible for and what happens if something goes wrong.

Think of it less as a new obligation and more as a foundation that reflects the trust and cooperation that already exists.

Why a 5-year term?

The 5-year term is intentional. Cooperative library services - especially shared catalogs and digital collections - require significant investment in setup, training, data migration, and ongoing vendor relationships. A longer term:

- Provides stability for vendor contracts MSL negotiates on your behalf
- Reduces administrative burden (you renew once instead of annually)
- Allows MSL to negotiate better statewide pricing based on committed participation
- Reflects the reality that these services are foundational infrastructure, not one-time projects

This Agreement may be renewed by mutual agreement, and **either party can exit with 30 days' written notice** (subject to any addendum-specific requirements, which may require longer notice and the full cost to exit, which

may include the duration of the remaining split fees pro-rated vendor fees, data extraction costs, and any administrative costs to the consortium.

How does indemnification work?

In plain terms: **each party is responsible for its own actions.**

- Your library agrees to defend and hold harmless MSL and the State of Montana from claims arising from your library's actions (or those of your employees, agents, or subcontractors) under this Agreement.
- Each addendum contains a reciprocal "Hold Harmless" provision - each party bears liability for claims arising from its own negligent or intentional acts.
- MSL's indemnification exposure is excluded only when the State's **sole negligence** caused the harm.

This mirrors standard Montana intergovernmental agreement language and is consistent with how liability is allocated in most State cooperative agreements.

What kinds of confidential information are protected?

Two categories are protected under this Agreement:

1. **Library Records / Patron Privacy** - Any library records maintained under this Agreement are confidential under the Montana Library Records Confidentiality Act (MCA 22-1-11). This includes patron borrowing records, holds, account information, and any data that links an individual to their library use.
2. **Personally Identifiable Information (PII)** - Defined as a patron's first name (or initial) plus last name combined with any other data element, when either is unencrypted (per MCA 30-14-1704). MSL limits vendor access to PII to the minimum necessary for system operation and defaults to the most secure configuration available.

MSL ensures contracted vendors comply with these confidentiality requirements. If your library uses a third-party service that accesses MSL-administered system data, your library is responsible for ensuring that integration is approved by MSL first.

Is it ok for our library's data to be stored on the cloud or on servers outside of Montana?

Cloud-based hosting is common and used by most of MSL's service vendors. **Cloud storage is permitted and is not a concern in itself.** What matters is where those cloud servers are physically located and what legal protections govern them.

Under State of Montana IT Terms and Conditions (issued by the State Procurement Bureau and the State Information Technology Services Division, SITSD, and required in all state IT vendor contracts), vendors are expressly prohibited from storing, processing, or transferring non-public State data outside of the United States, including for backup and disaster recovery purposes. Vendor staff located outside the United States are also prohibited from remotely accessing Montana IT resources.

This means:

- All data held by MSL-contracted vendors under this Agreement must be stored on U.S.-based servers.

- MSL is responsible for ensuring this requirement is included in all vendor contracts and for monitoring compliance.
- If your organization has additional local policies restricting server geography (for example, blocking access to non-U.S.-based servers), those local policies operate independently of this Agreement and are your library's responsibility to enforce at the local level. If you have concerns about a specific vendor's infrastructure, contact MSL.

Who sets the State's IT security standards?

The State Information Technology Services Division (SITSD), operating under the Montana Information Technology Act (MCA 2-17-504 et seq.) and housed within the Montana Department of Administration, is the State's central IT authority. SITSD sets enterprise information security policy, data classification standards, and IT terms and conditions that apply to all state agencies, including MSL.

Current SITSD policies and standards are published at http://sitsd.mt.gov. If SITSD changes its standards in a way that materially affects how MSL secures or stores data under this Agreement, MSL will notify participating libraries in writing within a reasonable time.

How does a library add a service?

Adding a service is straightforward:

3. Contact MSL to express interest in a specific service.
4. MSL will provide the applicable addendum (e.g., Addendum A for MSC, Addendum D for Courier).
5. Your library signs the addendum, which becomes effective upon execution by both parties.
6. Some services have onboarding lead times (e.g., Courier requires 90 days' notice before the desired start date; new MSC membership involves setup and onboarding costs).

If your library has not yet signed the Umbrella Agreement, your library's authorized signatory will sign both the Umbrella Agreement and the relevant addenda at the same time.

How does a library exit a service - or the whole Agreement?

Exiting a specific service (addendum): Each addendum has its own notice requirement, and termination of one service does not affect your participation in others.

Service	Notice Required to Exit
Montana Shared Catalog (MSC)	6 months' written notice before end of fiscal year (June 30)
Resource Sharing Groups (within MSC)	6 months' written notice before end of fiscal year (June 30); per group Governing Documents
OCLC Group Services	6 months' written notice before end of fiscal year (June 30)
MontanaLibrary2Go	6 months' written notice before end of fiscal year (June 30)
Courier Services	6 months' written notice before end of fiscal year (June 30)

In all cases, **the withdrawing library bears the full cost of exit**, which may include prorated shared costs, vendor fees, data extraction costs, migration costs, and administrative expenses associated with withdrawal.

Exiting the Umbrella Agreement entirely: Either party may terminate the Agreement with full cost of the exit and upon **90 days' written notice**, but all active addenda must be fully resolved before the overall Agreement can close.

What happens to our data if we leave a service - and are there data migration costs?

Your library's data belongs to your library. Upon termination of MSC participation, your bibliographic, patron, serial, and acquisition records are returned to you in a standard machine-readable format.

Standard record extraction is included as part of the exit process. However, if your library has specific data-migration requirements that go beyond standard extraction and require direct vendor involvement, additional vendor costs may apply. MSL will work with your library to minimize those costs wherever possible. If vendor involvement is required, MSL will inform you of the anticipated costs and negotiate on your behalf - and will not authorize the vendor to proceed until your library has confirmed acceptance of those costs in writing.

Who owns our library's data?

Your library's data belongs to your library. This includes patron records, local holdings, circulation data, and any bibliographic records your library contributes to the shared catalog. MSL administers the systems that store and transmit that data on your behalf - but administration is not ownership.

What happens if MSL loses state or federal funding?

The Agreement allows MSL to terminate the Agreement or any addendum with 30 days' written notice if state, federal, or other funding is reduced, eliminated, or becomes unavailable. This is a standard protective clause required in state intergovernmental agreements.

In plain terms: if MSL loses the funding that makes a service possible, MSL cannot be contractually obligated to continue providing it. Should this happen, MSL will notify your library as early as possible and, where feasible, work to transition services or identify alternatives. This clause is not a signal that any funding is at risk - it is a legal safeguard that protects both parties from an unworkable obligation in an unlikely but serious scenario.

Who at our library needs to sign this?

The Agreement signature page requires two signatures from your library:

- **An authorized representative** (Name/Title line) - typically your Library Director, if your library's bylaws or board policy authorize the director to execute contracts on the library's behalf.
- **A Library Trustee** - a board member signature is also required, acknowledging that this is a multi-year commitment with financial obligations.

If you are unsure whether your director has independent authority to execute agreements of this scope and term, we recommend confirming with your board before signing. Some library boards require a formal motion authorizing execution of multi-year agreements. When in doubt, a brief board resolution is a straightforward way to document that authority.

Can MSL change the terms after we've signed?

There are two different kinds of changes, and they work differently:

Amendments to the Agreement itself require mutual written consent from both MSL and your library. Neither party can unilaterally change the core terms - including term length, termination procedures, indemnification, or data security obligations. This protects your library.

System-level policies - the operational rules that govern day-to-day use of services like the MSC - can be updated by MSL and the relevant governing body (such as the MSC Members Council) without requiring a full amendment to the Agreement. These types of policies govern cataloging standards, circulation practices, and technical procedures, for example. Your library has a voice in these through governance participation (e.g., your representative on the MSC Members Council), and updated policies are published through established communication channels before taking effect.

In short: the legal and financial terms of your relationship with MSL are locked in by mutual agreement. Operational procedures can evolve, as they always have, through the collaborative governance processes the consortium has used for decades.

Questions? Contact the Montana State Library at msl@mt.gov or visit http://msl.mt.gov.

This coversheet is a plain-language summary. The MSL Cooperative Services Agreement and its addenda are the governing legal documents.