

DALNET Executive Committee Meeting
Botsford General Hospital
Zieger Administration Building, Classroom A/B
September 12, 2006
9:00am-11:30am

In attendance: D. Adams, C. Agnew, M. Auer, J. Bosler, S. Bowers, B. Harris, L. Mancini, M. Sheble, C. Wolford.

1. Call to order, 9:15 am - D. Adams

2. New Executive Committee member - D. Adams

D. Adams introduced and welcomed C. Wolford to the Executive Committee.

3. Approval of May 22, 2006 Minutes - C. Agnew

Information

Approval of the May 22, 2006 Executive Committee minutes will be conducted by email since minutes were not distributed prior to today's meeting. In the future, all minutes for both the Executive Committee and Board will be posted on the DALNET website as "unapproved" a few days following the meeting.

4. Arab American National Museum - S. Bowers

Information

B. Harris is working on the contract with the Arab American National Museum. They are very excited and looking forward to joining DALNET. S. Bowers is hoping to have them on board by the beginning of the fiscal year. Their records will be loaded during the first round of the merge. The first six libraries should be merged by the end of October.

There is interest in approaching the Holocaust Museum to join DALNET. Anaclare Evans sent S. Bowers information about a library [Michigan Jewish Institute in Oak Park] that is looking to automate. The DALNET office will wait until the first part of the merge is complete before approaching other libraries.

5. DMC Cost Allocation 2006/07 - M. Sheble

Information

The Executive Committee and the Board approved by email the DMC allocation change. The 2006/07 allocation fee for the DMC libraries will be \$18,500 and the difference between the \$18,500 and the \$32,826 originally approved for DMC's allocation will be taken from the appropriate DALNET reserve with the stipulation that they not be enacted without receiving final payment for 2005/06. This was a good solution for them and we are ready to move forward with the DMC libraries that are left. DMC was happy with the cost allocation change.

6. Budget 2005/2006 report - B. Harris

Information

For FY 2005/06, we are now basically where we are going to be at the end of the fiscal year. The projected revenues over expenses will be \$85,300 which comes from personnel and maintenance savings. In hardware maintenance we had a big over payment in prior years and we had a credit. We also entered into a hardware maintenance agreement for less than what was budgeted. Software maintenance is also less than what we budgeted. Overall we are down in maintenance costs by about \$51,956.

We budgeted to take money from reserves but we did not have to. We bought 3-years worth of maintenance for FootPrints through 2005/2006 fiscal year, so we still did not have any costs for it this fiscal year. Interest earned in the third quarter was \$6,041. Interest earned for the fourth quarter should be posted soon; it is expected to be about the same. We will decide later where we will put the revenues over expenses. We did not vote to automatically move revenues over expenses into the Program Initiative Reserve. This has to be voted on each year by the Board. The budget report reflects that both DPL and WSU have received all of their distributions.

7. Budget 2007/2008 – B. Harris

Information

B. Harris distributed the “DALNET FY 2007/08 Budget Summary”. For FY 2006/07, the first column on the chart shows the staffing configuration we approved. The second column is the actual staffing configuration that we have now. We had a projected shortfall of \$37,685; however, with the addition of the Arab American National Museum we will have a shortfall of \$14,580. The shortfall was to be taken from reserves, but we may not have to go into reserves. Personnel costs changed from \$325,880 to \$309,880, a fairly significant savings. We will also have a savings of \$12,431 in maintenance. We have not paid for URSA but we still have it budgeted.

For FY 2007/08, staffing will stay the way it is currently. There is a cap of \$25,000 in our C&IT agreement with WSU. WSU has guaranteed that we will not go over the cap. We do not anticipate there will be a significant change in hardware. There will be a slight increase in software because we will be buying another 3 years of maintenance for FootPrints, for fiscal years 2006/2007 through 2008/2009. URSA is still budgeted. There is a slight increase in “other expenses”: telephone, training, travel, supplies and other. There is about a 4 percent overall increase in the budget. Indirect costs/overhead includes space, legal services, accounting services, and staff support. There has been no increase in indirect costs/overhead. There was a guarantee from WSU that the overhead percentage increase will not exceed the percentage increase in salary. We do not need to increase overhead costs at this time.

If we were to apply the full allocation amount of \$523,191 for FY 2007/08, every member’s allocation would go up by 7 percent. Instead there is a cap of 3 percent that will cause a shortfall of \$20,484. We may have revenues over expenses, so we should be okay with the shortfall. If we were to cap increases at 2 percent, the shortfall would increase by approximately \$5000. It is suggested that a 2 percent increase be given to those members paying below the new formula to try to bring them to where they should be. But allocations should remain the same for those members paying at or above the new formula. If we get revenue from those members paying below the new formula, the shortfall would be reduced. Everyone has to start paying their fair-share and we have to right-size. We are making a bigger gap between our costs and what our members pay. Long-term we cannot continue to take out of reserves for operating costs.

Authority work was left off of the 2007/08 budget report. We have received quotes that ranged from \$5,000 to \$15,000 per year for a complete reload each year. Quotes were received from five companies, including the Library of Congress and MARCIVE. We will get new quotes when we are ready to do the project. The cost of the authority control retrospective project will come out of a reserve fund, and the cost of ongoing authority control will be placed in the budget for subsequent years. We will try to get a contract that makes the tapes available to all of DALNET not just ILS members.

[Lewis College of Business notified DALNET that they may not stay open this fall because of finances. In light of this, and as a gesture to show DALNET’s desire to maintain a partnership

with the college,] S. Bowers and M. Sheblé suggested that we give Lewis College of Business an allocation reduction to the new minimum level of \$9,000 since the new formula puts them at \$3,000. They are paid through this month; however, they are technically in contract with us for the next two years. They still need to pay the remainder of their start-up capital contribution. After this month we may not receive any more money from them, whether they stay open or close. S. Bowers and M. Sheblé will talk with them soon about their intentions. We may be able to set them up on a monthly payment plan. If Lewis College of Business does not pay, we may have a shortfall of \$13,000. We will not pursue acquiring the money owed if they do not pay. If they close, we will ask about the possibility of DALNET libraries acquiring their library's collections.

SirsiDynix is suggesting a migration instead of an upgrade for release 8.0 for some customers. S. Bowers learned of this from the Horizon discussion list. S. Bowers has not gotten confirmation from SirsiDynix. According to discussion on the list there are two options for moving to release 8.0: upgrade or migrate. The recommendation from SirsiDynix is for everyone to migrate. Moving to release 8.0 would be like going to a new system. The costs may be substantial if we migrate. The costs may not fall into the operation budget and we may have to have use reserve funds to pay for it. The full ramifications have not been discussed with SirsiDynix. We have to wait to see what they quote us to determine what we will do. We are not going to merge two of our members until we are on release 8.0. We can compare the costs of migrating three databases to Horizon 8.0 with migrating three databases to another system. S. Bowers will get additional information regarding this and share it with the Board at our last meeting of the year.

S. Bowers proposed that we consider forming a scholarship and grant committee in the future.

Action/s

Motion by M. Sheblé: Move that Lewis College of Business's allocation for FY 2006/07 be placed to align with the Cost Allocation Task Force recommended minimum allocation fee of \$9,000.

Motion seconded by M. Auer.

Motion approved unanimously.

Motion by J. Bosler: Move that for FY 2007/08, the minimum allocation for ILS members should be \$9,000; for those members at or above the Cost Allocation Task Force recommended allocation, allocations should be held flat; and for those members that are at less than the Cost Allocation Task Force recommended allocation, allocations should be increased by three percent.

Motion seconded by M. Auer.

Motion approved unanimously.

Motion by J. Bosler: Move to approve the proposed budget for FY 2007/08.

Motion seconded by L. Mancini.

Motion approved unanimously.

8. Revisions to Cost Allocation Task Force Report - S. Bowers

Information

While B. Harris was working on the contract with the Arab American National Museum, three issues came up regarding the Cost Allocation Task Force report: 1. The report did not clearly state what the minimum allocation is for new members, 2. The report did not clearly state that Appendix C1 should be used as a *basis* for configuring new members annual fees, 3. The report did not address the capital investment fee or one time start up fees for new members.

The Executive Committee agreed to clarify the issue of the minimum allocations and the basis of the new member annual fees. The one time capital investment fee for new members used to be set at one and a half times the member's initial annual allocation. Capital investments include hardware, maintenance, and IT support. Capital investment fees are also used to replace equipment. We should continue to have a capital investment fee for new members. A percent of the annual is justified because the annual fee is based upon the amount of the system a member uses. Most of the new libraries we may attract are small libraries that may not be able to afford a substantial capital investment fee. Possible appropriate percentages for capital investment fees were discussed. The discussion of a capital investment fee for new members will be continued at the next Executive Committee meeting. We are not asking for a capital investment fee from the Arab American National Museum.

Action/s

Motion by J. Bosler: Move to amend the 2006 Cost Allocation Task Force Report to include the following points of clarification: no member of DALNET, existing or new, shall pay fees less than a set minimum of \$9,000 for the DALNET/WSU fiscal year 2008 (October 1, 2007 - September 30, 2008) and new member annual fees shall be determined using the 2006 CATF report Appendix C1 as a basis.

Motion seconded by M. Auer.

Motion approved unanimously.

9. DALNET Office report - S. Bowers

a. Single Database Project

i. Policies and Guidelines Recommendations

Information

The "Patron Privacy Agreement" does not have to be signed by member libraries' staff. The "Guidelines for Reserve Records" (item number 4) and the "Guidelines for Security Privileges" (item number 5) state respectively that Project Managers should review their reserve records and user accounts once per year. An annual deadline of August 1" will be stipulated in the guidelines to ensure compliance of reviewing records. The "Guidelines for Reserve Records" (item number 7) state that DALNET staff cannot support use of the Horizon Reserves Module if members are not using the module in a way in which it was designed to be used. This guideline was included because some members are not using reserves correctly and DALNET staff cannot offer support or only supply limited support if modules are not used correctly.

The policies and guidelines will be posted on the DALNET website once approved by the Board and the old ones will be removed.

Action/s

Motion by M. Sheblé: Move to approve the policies and guidelines recommendations with revisions.

Motion seconded by C. Wolford.

Motion approved unanimously.

ii. Timeline

Information

Lewis College of Business's records are loaded and the loading of Mt. Clemens's records was started yesterday. We should have six live members in the merged database by the end

of October. DALNET staff will check on how the first group is doing in November before starting on the next group.

b. MiLE and MeL Delivery

Information

DALNET paid for MeL delivery last year at the cost of \$900 per member for 2 days of delivery. Some members are not currently using MeL delivery. We are only paying for members using it. This year's delivery costs need to be paid and we have to decide soon how to pay delivery costs for 2006/07. Either the delivery costs will be paid by DALNET or members will have pay for it. We also have to consider if we are going to pay for any member doing resource sharing with us or only those using MiLE. S. Bowers will check to see if we can delay payment so he can check with members regarding their interest in participating in MeL delivery. Since delivery started July 1, 2006, we are past the deadline of notification and we probably will have to pay the amount due.

The new version of URSA is working for DALNET but not for the other members of MiLE. We may consider using it even if the other MiLE members do not. A MiLE Board meeting is scheduled for this afternoon.

Action/s

Motion by M. Auer: Move that members should not be charge for MeL delivery for last year.
Motion seconded by J. Bosler.
Motion approved unanimously.

Motion by L. Mancini: Move that members should not be charged for MeL delivery for this year and costs be paid by DALNET.
Motion seconded by M. Auer.
Motion approved unanimously.

c. DALNET Staff

Information

S. Bowers is still trying to get the paraprofessional position posted by WSU. Fourteen applications were received for the systems librarian position. The Search Committee will be scheduling phone interviews with the top five applicants. Following the phone interviews, the Search Committee will bring the top two candidates to campus to interview. The candidates will give a presentation on the topic of "The Future of the ILS". The hiring of the systems librarian probably will not be completed by projected completion date of October 1, 2006.

d. MLA Booth

Information

C. Wolford has put together a DALNET basket for the MLA auction. S. Bowers hopes to have a DALNET information packet ready for the Board's review for the next Board meeting. Volunteers from member libraries are needed to staff the booth. Volunteers have to register for the conference. DALNET staff will also help staff the booth.

10. Strategic Direction Report – S. Bowers

Information

S. Bowers reported on the progress of DALNET-wide goals. S. Yee asked M. Sheblé to come up with a draft of personal goals for S. Bowers. She picked some goals from the DALNET-wide goals

and S. Bowers added some additional goals. S. Yee wanted consensus from the Executive Committee to go ahead with these goals.

Action/s

By consensus the Executive Committee agreed to proceed with the personal goals set for S. Bowers.

11. Reciprocal Borrowing Task Force - L. Mancini

Information

The Reciprocal Borrowing Task Force has completed a draft reciprocal borrowing agreement. The Task Force will have a report ready to submit to the Executive Committee by its next meeting.

12. Meeting Schedule— S. Bowers

Information

In an effort to make everyone's meeting schedule more manageable, we will set up a meeting schedule for next fiscal year ahead of time. The Board and Executive Committee will meet every 4th Monday of the month, alternating months. The Board will meet from 1:30 pm to 4:00 pm. The Executive Committee will meet from 9:00 am to 11:30 am. Project managers will schedule meetings for the 3rd Monday of every month, from 1:30 pm to 4:00 pm.

Executive Committee Meetings

October 23, 2006
February 26, 2007
April 23, 2007
July 23, 2007

Board of Directors Meetings

November 27, 2006
March 26, 2007
June 11, 2007
September 24, 2007

No meetings are scheduled for the months of December 2006 and January, May, and August of 2007.

13. Board Elections

Information

Only one nominee accepted the nomination for Chair; however, the nominee declined the nomination because she was uncomfortable with being the only one running for chair. M. Sheblé has agreed to serve as Chair for one extra year if Board approval is given. The election policy will have to be waived to allow the Chair to serve three years instead of two. Both the Chair and the Vice-Chair offices will be up for election next year.

We have several Board members who have never served in an office before. We need Board members to participate in order to operate successfully. We need to prepare Board members so that they are able to serve in offices. One possibility could be to consider sponsoring members to attend MLA's Leadership Academy.

14. Adjournment - D. Adams, 12:17 pm.

Next Board meeting - September 18, 2006 at Detroit Public Library.
Next Executive Committee meeting - October 23, 2006.

*Minutes submitted by Crystal Agnew, September 14, 2006.
Minutes approved by the DALNET Executive Committee October 23, 2006.*