

PROPOSED AGENDA

DALNET Executive Committee Meeting

Monday, 3 November 2003

9:00 AM – Noon

John D. Dingell Department of Veterans Affairs Medical Center
4646 John R Street, Detroit (313/576-1085)

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| 9:00 | | Review meeting agenda. (Jerry Bosler) |
| 9:10 | 1 | Review Budget Task Force recommendations. Desired outcome: Assess WSU-based site hosting options |
| 10:15 | | Break |
| 10:30 | 2 | Review TLN-based site hosting options. Desired outcome: Identify issues in need of clarification. Determine next best steps |
| 11:50 | 3 | Review actions and agreements from this meeting |
| 12:00 | | Adjourn |

DALNET Executive Committee Meeting Summary
Monday, 3 November 2003
John D. Dingell Department of Veterans Affairs Medical Center

Executive Committee outlines proposed timetable

In September, the DALNET Board reviewed six preliminary budget scenarios for fiscal year 2004-05. In early October, following the Board meeting, Wayne State offered two new budget proposals. After reviewing these new proposals from Wayne, the Budget Task Force prepared recommendations for the Executive Committee. The Task Force also asked WSU for clarification on several aspects of these new proposals.

At the Executive Committee's meeting, Sandra Yee, WSU Dean of Libraries, provided the clarification requested by the Budget Task Force, along with several new proposals:

- 1) WSU suggests using fiscal year 2004-05 as a one-year transition period. During this transition period, Wayne State will continue as the DALNET host site, and DALNET will implement decisions made during a planning process in the 2003-04 fiscal year.
- 2) Wayne has offered to pay the salary and fringe benefits for Anaclare Evans, DALNET's current System Librarian, during this 2004-05 transition period.
- 3) The WSU computing center runs DALNET's servers under contract, at an annual cost of \$50,000. In FY 04-05, Wayne will assure a cap of \$25,000 on the DALNET agreement with the Computing Center.
- 4) Wayne's current overhead rate is 22 percent of DALNET's total direct costs. Instead of a percentage of direct costs, WSU suggests a flat-rate overhead fee of \$60,000 in FY 2004-05. This flat fee includes DALNET's portion of the Treasurer's salary.

In light of WSU's proposals, the Executive Committee recommends a combination of Options A and B as a basis for the proposed fiscal year 2004-05 budget. Staff will send these scenarios to the Executive Committee via email. Once the Committee approves the new scenarios, staff will then send them to the DALNET Board for action at the 17 November meeting. The Committee also agreed on this recommended timetable:

17 November 2003	Board approves FY 2004-05 budget. Board approves proposed timetable for selecting DALNET's host site, and appoints team to explore possible host site arrangements with The Library Network.
Early 2004	Work will start on revised 2004-05 member contracts with WSU.
30 September 2004	DALNET Board decides on future host site, then uses FY 2004-05 for planning and implementing the Board's decision

If the Board wishes to stay at WSU after the conclusion of the transition year in 2004-05, the Committee recommends retaining options D and E as possible bases for the fiscal year 2005-06 budget, which will begin on 1 October 2005. Option E is contingent on Wayne's willingness to operate DALNET's servers and ILS application by contract. Dr. Yee will consult with her staff and advise the Board if this is a realistic option.

Executive Committee conducts preliminary review of TLN proposals

TLN, The Library Network, has provided information concerning a possible host site arrangement with DALNET. In conducting an initial review of TLN's proposal, the Executive Committee identified several aspects in need of clarification. Staff will relay these questions to TLN and report back to the Committee as soon as possible. On 17 November, the Board will review TLN's proposal.

Also at the 17 November DALNET Board meeting, the Committee recommends that the Board appoint a team to explore possible host site arrangements with The Library Network. The Committee recommends that the Board schedule a meeting with TLN representatives at a later date.

Next Executive Committee meeting

The Executive Committee's next meeting will be from 9:00 AM until Noon on Monday, 8 December 2003 in the Dean's Conference Room, Wayne State University Undergraduate Library. Backup date: 15 December 2003.

Attendance at November 2003 Executive Committee meeting

Jerry Bosler, Margaret Auer, Steven Bowers, James Flaherty, Karen Tubolino and Sandra Yee. Staff: Robert Harris, Scott Muir and Michael Piper.

31 October 2003

TO: **DALNET EXECUTIVE COMMITTEE**

FROM: Michael Piper *Michael*

SUBJECT: Preferred future host site for DALNET

DESIRED OUTCOME: Assess WSU-based site hosting options (Agenda Item 1)

After carefully reviewing all of the WSU-based cost scenarios discussed at the September Board meeting, the Budget Task Force offers its recommendations for discussion at Monday's Executive Committee meeting. This document includes detailed assessments of each alternative. Based on these assessments, the Budget Task Force concludes there are two viable WSU-based options at this time:

- **Option B**, in which DALNET keeps Dynix while Wayne migrates to a new ILS. This option reflects new cost proposals from WSU, which has agreed to reduce the overhead rate to 15 percent. But it still exceeds DALNET's projected revenues by \$40K.
- **Option D**, in which DALNET and Wayne buy ILS together. Although this alternative includes significant upfront expenses, along with high ongoing costs that exceed DALNET's projected revenue by more than \$200K, it may offer a basis for continuing discussions with Wayne.

Option A. DALNET keeps Dynix while Wayne migrates to a new ILS

Recommendation: Since this alternative supports insufficient staffing to maintain DALNET as a viable organization, the Budget Task Force does not regard this as a viable option.

Total cost of this option: \$446,349. Additional funding required: None

Summary: This alternative reflects new cost proposals from WSU, which has agreed to cut the over-head rate to 15 percent. Option A provides \$180,000 for DALNET staff salaries. WSU suggests that the Board will need to determine which staff to retain to fit within this amount. At this level, DALNET could support a Web Developer, System Librarian and a 0.5 FTE Systems Administrator.

Upfront costs: None. Eventually, however, DALNET will need to upgrade its server.

Option A: Advantages	Option A: Disadvantages
<p>Affordable upfront and ongoing costs</p> <p>Increases people's comfort level as it entails no change in ILS or host site</p> <p>Puts no pressure or additional workload on members to migrate to a new ILS</p>	<p>Insufficient staffing</p> <p>Eliminates Director and Assistant Director, so who would staff report to?</p> <p>DALNET would not be moving forward</p> <p>DALNET will need to upgrade its server, which will cost money</p> <p>How will we cut the operating agreement with WSU Computing Center to \$25K?</p>

Option B. DALNET keeps Dynix while Wayne migrates to a new ILS

Recommendation: Although this alternative has serious shortcomings, the Task Force believes Option B may provide a basis for continuing discussions with Wayne.

Total cost of this option: \$489,211. Additional funding required: \$42,861

Summary: Option B would support the Web Developer, a System Librarian and the System Administrator.

Upfront costs: None. Eventually, however, DALNET will need a new hardware.

Option B: Advantages	Option B: Disadvantages
<p>Increases people's comfort level as it entails no change in ILS or host site</p> <p>Puts no pressure or additional workload on members to migrate to a new ILS</p> <p>Increased staffing component over Option A</p> <p>No immediate upfront expenses, and ongoing costs are within the range of affordability. (Eventually, DALNET will need new hardware, however)</p>	<p>Eliminates Director and Assistant Director, so who would staff report to?</p> <p>Insufficient staffing</p> <p>We wouldn't be moving forward</p> <p>DALNET will need to upgrade its server, which will cost money</p> <p>Can we reduce the operating agreement with WSU Computing Center to \$25K?</p>

Option C. DALNET keeps Dynix, using Application Service Provider (ASP) model

Recommendation: Due to the disadvantages noted below, the Budget Task Force does not regard Option C as a viable alternative.

Total cost of this option: \$548,253. Additional funding required: \$101,904

Summary: Option C retains the Web Developer, System Librarian and Director.

Upfront costs: Dynix charges a \$45,000 upfront fee for conversion to ASP arrangement

Option C: Advantages	Option C: Disadvantages
Retains Director position for internal supervision and external work Dynix would presumably operate the ILS at the highest standards of reliability	Since the server is in California, are we comfortable with increased dependence on network connectivity? Are we OK with getting our ILS application support from such a distance? May dilute staff's ability to solve problems quickly DALNET no longer self-empowered; more dependent on Dynix

Option D. DALNET and Wayne buy a new ILS together

Recommendation: Although this alternative has serious shortcomings, the Task Force believes Option D may provide a basis for continuing discussions with Wayne.

Total cost of this option: \$644,858 for Innovative. Additional funding required: \$198,509

Summary: Option D retains the Web Developer, Systems Librarian, Secretary, System Administrator and Director

Upfront costs: \$648,140

Option D: Advantages	Option D: Disadvantages
Retains Director position for internal supervision and external work	Ongoing costs are well over budget
WSU's system of choice; may be the state library's preferred choice as well	High upfront costs
Wayne can easily continue cataloging for members, if we're on the same ILS	Concerns about ongoing costs for ILL
DALNET staff can collaborate with WSU on ILS troubleshooting, at least on an informal basis	Requires DALNET to run a duplicate system in parallel with WSU; limited opportunities for cost savings
DALNET remains hosted by research institution, which connotes some status	High costs may make it hard to recruit new members
	Staying with a single institution may limit opportunities for statewide collaboration

Option E. DALNET and WSU buy ILS together. Reduced staffing to support Service Bureau approach

Recommendation: This alternative assumes that WSULS is willing to run the ILS for DALNET. Is this still a realistic option? Given the uncertainty about Wayne's interest in doing that, and given this alternative's other shortcomings, the Task Force does not regard Option E as a viable approach.

Total cost of this option: \$446,349 for Innovative. Additional funding required: \$0

Summary: Option E retains the Web Developer and Systems Librarian. However, this option may provide funding to add another Systems Librarian, if the Board so desires.

Upfront costs: \$648,140

Option E: Advantages	Option E: Disadvantages
May offer improved collaborative opportunities for DALNET and WSULS staff	Eliminates Director and Assistant Director, so who would staff report to?
WSULS has expertise in running the ILS and could help with troubleshooting	High upfront costs
	DALNET would be merged with another WSU unit, which may limit DALNET's capability to innovate

Option F. DALNET and Wayne buy different systems; DALNET stays at WSU

Recommendation: Due to the disadvantages noted below, the Budget Task Force does not regard Option F as a viable alternative.

Total cost of this option: \$639,941 for Innovative. Additional funding required: \$193,591

Summary: Option F retains the Web Developer, Systems Librarian, Secretary, System Administrator and Director

Upfront costs: \$686,357

Option F: Advantages	Option F: Disadvantages
Gets DALNET beyond the "bashing Dynix" syndrome	High upfront and ongoing costs Are competing ILS products that much better than Dynix to merit this expense? No common base for collaborative ILS problem-solving with WSU

Background notes for your discussion on Monday: