

# DALNET Finance Committee

## Meeting

August 1, 1997

Present: Patricia Senn Breivik, Margaret Auer, Gloria B. Ellis, Phyllis Jose, Gerald Bosler, Robert Harris

Because contract negotiations were not completed by the meeting date, the Finance Committee will meet Friday, September 5 to complete its work in assigning costs. The information must be distributed to the Board a minimum of 10 days before its meeting date, which is now set for Friday, September 26.

P. Breivik reviewed the "good news" of contract negotiations to date : DALNET will have the ability to grow. Any information provider (library, agency) will be able to join DALNET by paying to Ameritech a fee based on size:

Under 50,000 volumes	-	No additional cost
Between 50,000-100,000 volumes	-	\$5,000 fee
Over 100,000 volumes	-	\$10,000 fee

Further, any library or agency can be added up until the contract signing at no additional cost.

It was also pointed out that since economic planning covers the seven county area (Livingston, Macomb, Monroe, Oakland, St Clair, Washtenaw and Wayne), DALNET should begin to think in terms of serving as an information hub for the seven county area, rather than three counties, with the exception of the major institutions within the area.

What other libraries, agencies are to be contacted?

P. Breivik reviewed what money is available: the residual in capital funds, savings (credit) to be issued on maintenance of the present system and what front money can be offered by Detroit Public Library and Wayne State University. Initial costs will be for hardware; software costs will not be paid until acceptance (which will vary with institutions). A major issue is how to shorten the time when both old and new systems will operate. How can members' budgets not be impacted in the first year?

There was consensus that the new system has to be a "good buy" -- that it is financially beneficial to stay in DALNET with costs close to break even or mitigated by other benefits. Additional factors are the other institutional benefits, expanding collection access, access to technical and staff support, and contributions to institutional missions.

R. Harris will redo cost components with dollar figures attached. Two scenarios will be developed, based on libraries of different sizes.

Issues to be addressed include reciprocal borrowing and fund raising. G. Bosler stated he supported uniform circulation policies as well as the need for reciprocal borrowing and ILL among members.

P. Breivik described DALNET as an information provider, an information base for city and county government as well.

Discussion then focused on the membership categories defined at the previous meeting. There was consensus to eliminate the "affiliate" category.

A prefatory statement will be included in the definition of "member" :

DALNET is a non-profit membership organization under which participating libraries and other information providers improve service to their users through a variety of cooperative programs. Horizon will serve as the foundation of DALNET's online system network.

There will be a cost differential benefiting members, with "volume discount" for services purchased by customers.

The system which the member must purchase includes all modules: cataloging, circulation, course reserve, public access catalog, Windows and WWW access, acquisitions, serials, Z39 features, media booking, as well as ReportSmith, Infoshare, RSAS (ILL/Document delivery) and Net Publisher.

The Community Information Provider would pay costs for loading its database as well as ongoing maintenance costs, charges incurred in maintaining standards for input. P. Breivik suggested that abstracts could be offered to viewers at no cost but that there be charges for full text, with DALNET retaining a percentage of the charges.

A customer would buy one or more of the modules, with charges dependent upon the number purchased.

P. Breivik renewed her suggestion that a user's group could be established with advisory committees that would include members and customers.

P. Jose and G. Ellis were charged with refining definitions for these categories that would delineate rights, responsibilities, costs, concepts. These will be circulated among project managers and Board members for comment. R. Harris will look at attaching dollar amounts to the benefits membership in DALNET provides.