1) Call to order; Approval of Minutes

2) DALNET Budget
   a) FY 99/00 DALENT Budget Review: budget, actual pay-outs, remaining funds
   b) FY 00/01 DALNET Budget Review: budget, actual pay-outs, remaining funds
   c) Allocation of Remaining Funds / Interest Generating Funds: General Fund, Reserve Fund.
   d) Detroit Public Library Costs to DALNET
      i) FY 1999-2000
      ii) FY 2000-2001
      iii) evaluation of costs and service
   e) DALNET Web Page
      i) Maintenance and Development
      ii) Web-master: DPL, MLC
   f) Server Capacity
      i) Horizon
      ii) WebPac
      iii) New Servers: budget, cost, procurement, timelines
   g) Proposed FY 01/02 DALENT: Budget Planning
   h) DALNET payments to *epixtech*: software, hardware, consulting.
   i) *epixtech* bills that remain unpaid.

3) New Member Proposals
   a) Marygrove College Library
   b) William Tyndale College
   c) Archdiocese of Detroit high Schools: follow-up

4) Finance Committee Seat: Committee Membership
   a) Mary Ann Sheble
   b) Karen Tubaleno
   c) Jennifer Moldwin
   d) Ann Walaskay

5) DALNET Director Position
   a) Posting
   b) Hiring Process
   c) Back-up Plan
   d) Funding

6) Americech Grant: follow-up
   a) Cultural Breakfast
   b) Information Hub Costs: Budgeting

7) DALNET Financial Guidelines for 1999 Pilot Agreement: Review

8) New Business / Old Business / Adjournment

DALNET Finance Committee
Meeting Minutes
Adamany Undergraduate Library
Wayne State University
June 23, 2000

Present: M. Auer, J. Bosler, B. Harris, and B. Holley.   Guest: L. Bugg

1. Call to order:
The meeting was called to order at 1:20 p.m.

2. DALNET Budget
DALNET payments to *epixtech* for software, hardware and consulting were discussed. B. Harris
distributed a five page handout which detailed:
- DALNET Ameritech (*epixtech*) Agreement – Unpaid Items.
- DALNET / Ameritech Payment Schedule.
- DALENT Available Funds Projected Through FY 99/00,
- DALNET Budget Annual Operating Costs Fiscal Year 2000/01.

DALNET has been in dispute over bills presented by *epixtech* since December, 1999. There are a number
of factors. The original purchase order drawn by DALNET stipulated specific services to be provided.
Epixtech has commingled bills with the implementation of Horizon.   This practice has caused untold
confusion over what has been paid. DALNET has requested separate invoices to no avail. The DALNET
Treasurer has tried to make the appropriate corrections, but, communication with *epixtech* has not gone
well.

In addition, the DALNET Systems Office has found that in fast loading the WSU and DPL databases during
the migration, there was some damage to the data load. Fixed fields in MARC record formats were lost.
The degree of the damage has been hard to determine.

Problems with the software persist as well. The circulation module is not working as expected.
WSU cannot do recalls and the circulation response time for DPL is too slow.

Bills that can be recommended for payment are: Training / Implementation –September 1998, Dataload-
UDM, Dataload – Botsford, Dataload – Group 4, ReportSmith

Bills being held for payment are: Dataload – WSU /DPL, Dataload – Group 5, Horizon Software-
Broadcast searching, RSS , Horizon Enhancements (partial payment), Children's OPAC (partial payment),
Ad-Hoc Management and Statistical Reports.

Bills to be expected as future expenditures are: Third WebPac Server, Integrated Booking Module, RSS,
Functionality Testing / Enhancements, Shipping, Upgrade DPL Server, Holdback.

The DALNET / Ameritech Payment Schedule indicates that DALNET has paid Ameritech / *epixtech*
$1,215,519. There remains $1,032,983 in outstanding bills to be paid.

The Finance Committee would like to see a discussion with Meg Fisher and / or Lana Porter to resolve
these issues. The DALNET Systems Office staff will proceed with discussions. In the meantime,
discussions will be undertaken at the upcoming annual American Library Association meeting.

DALNET will try to create an additional opportunity for discussion at a visioning meeting with Lana Porter
later during the summer.

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Phyllis Jose, DALNET Chair, had previously requested that the Committee provide a FY 1999-2000 Budget Review, i.e. the budget, actual payouts, and remaining funds. She also requested a FY 2000- 2001 budget review with actual payouts and remaining funds. She was most interested in the allocation of remaining funds in the general fund and the interest generating funds in the reserve fund. B. Harris provided handouts which indicate the amount in the Equipment Reserve Account as well as funds remaining in the Operating Account. The amounts presented indicate that DALNET has the ability to entertain a number of software and equipment options.

B. Harris presented DALNET Budget Annual Operating Costs Fiscal Year 2000/01 which outlined FY 99/00 expenditures as well as FY00/01 original and revised costs. It should be noted that the original budget is in FY98 dollars. The increase in total costs represents an average annual inflationary increase of 2.96%.

The Committee was informed that the DALNET Chair would like quarterly financial reports. B. Harris was requested to follow-up on the request. However, in coming months these reports will be automatically produced as the Committee proceeds with a recommendation to approve a budget for FY 2001-2002.

The DALNET contract with Detroit Public Library was considered in terms of financial outlay for FY 1999-2000 and FY 2000-2001. The DALNET Web Page service was reviewed along with the function of the DALNET Web-master and the interrelation of DPL services with services offered by the Michigan Library Consortium. The Steering Committee has noted that the DALNET Web site is mission critical and that a discussion with MLC is advisable. The University of Detroit Mercy offered to be helpful with web development. Before coming to a conclusion on the correct action to take regarding a renewed DPL contract, an evaluation of costs and services is necessary. It was agreed to conduct a satisfaction survey to identify the need for the services provided. The Committee will undertake the survey as soon as possible so as to have the data available for the September/ October budget approval process.

Server Capacity was considered for the maintenance of the Horizon operational software as well as the WebPac. It has been expected for some time that new servers would be recommended. Budget and cost considerations were considered along with procurement timelines. The DALNET systems staff has a meeting on June 29, 2000 whereupon some recommendations can be made. The proposed FY 2001-2002 Budget cannot be considered until after the DALNET Systems staff has collected additional information from committee meetings during the summer. Bob Harris will undertake to present a budget after he is forwarded the information from the Systems Office.

3. New Member Proposals
The Finance Committee considered membership proposals for Marygrove College and William Tyndale College. The Committee has discussed these institutions previously. The recommendation of the Committee will be to accept them as members of DALNET contingent on successful negotiation within the financial parameters previously approved by the Board. The Archdiocese of Detroit High Schools were previously considered as a single new member. Discussions will proceed with the Archdiocese to identify which schools are really interested.

4. Finance Committee Vacant Seat
Oakland Community College decided to replace their Board representative, Ann Walaskay, with Mary Ann Sheble. The consequence of this decision was to cause Ann to step away from her seat on the Finance Committee as well. The Committee entered a discussion on how to replace the vacancy. A number of nominations were considered: Mary Ann Sheble, Karen Tubaleno, Patricia Orr, Jennifer Moldwin and Maurice Wheeler. Maurice Wheeler will be asked. Karen Tubaleno is the back-up candidate.

5. DALNET Director Position

The posting for the DALNET Director Position is proceeding as well as the hiring process. A back-up plan will be set in place in the event that the October deadline for hiring is not met. Funding for the DALNET Director Position and the DALNET Project Manager was discussed. Due to unexpended funds from DALNET's general fund there should be enough revenue to cover the salary of the new DALNET Director as well as the cost of the DALNET Project Manager even if there should be an overlap for a short period.

6. Ameritech Grant

The Ameritech grant was used to underwrite the Cultural Breakfast which was considered a success. The Information Hub Development Committee has indicated that it will need additional funds for the development of more informational databases. The funds from the Ameritech Grant will be expended for this purpose first before additional funding is approved from DALENT funds. The Board has requested a budget proposal from the Information Hub Development Committee.

7. DALNET Financial Guidelines for 1999: Pilot Agreement

The DALNET Financial Guidelines for 1999 were mentioned. It is appropriate to review these Guidelines for the next year to see if changes are appropriate. Having spent a great deal of time on the previous agenda items, Committee members were inclined to adjourn. This issue will be retained for an upcoming meeting of the Committee.

8. Adjournment

The meeting adjourned with the next meeting to be scheduled in August before the next Board meeting.

Memorandum

TO: Jerry Bosler, Chair, DALNET Finance Committee

FROM: Louise Bugg

SUBJECT: Proposed new DALNET member libraries

DATE: June 19, 2000

These two academic libraries are being proposed for DALNET membership for consideration of the Board at its June 26th meeting.

Marygrove College

Frank White, Library Director at Marygrove College, has gotten approval to join DALNET and participate in the shared Horizon system. DALNET representatives have been discussing DALNET membership with Frank since June 1999. Marygrove's Library will be migrating from an Innovative system they currently have.

A member of the Catholic Consortium in the Detroit area, Marygrove College is an independent, Catholic, liberal arts college located on West McNichols Road. Most of Marygrove's 2,500 students come from the Detroit urban regions. Marygrove is accredited by North Central, the National Council for Accreditation of Teacher Education, the American Dietetics Association, and other agencies, and their highest degree is a masters. Marygrove has cooperative degree programs with other colleges in the area, including Rochester College, another DALNET prospect. Their transfer students come from MCC, OCC, and WCCCD.

The Marygrove Library has about 100,000 volumes. They propose migrating to Horizon in the first half of 2001. The cost proposals discussed by the DALNET Finance Committee and a draft system agreement have been provided to Marygrove. The next step is for their membership to be approved by the Board so that we can enter into negotiations for a system agreement.

William Tyndale College

Gary Oster, College Librarian at the Tyndale College Library, is ready to proceed with DALNET membership and participation in the shared Horizon system. DALNET representatives have been talking with Tyndale librarians since January 2000. Horizon would be Tyndale's first automated system and they would be loading records primarily from OCLC.

William Tyndale College is a Christian liberal arts college with Bachelors' Degrees also offered in religious education, music, and business administration (on an accelerated

degree program). Their programs are accredited by North Central and the State of Michigan, and their highest degree is a bachelors.

Tyndale's library has about 35,000 titles. They would probably be going "live" with Horizon in the first half of 2001. The cost proposal discussed by the DALNET Finance Committee and a draft system agreement have been provided to Gary Oster. The next step is for the DALNET Board to approve membership so that we can enter into contract negotiations.

Impact on DALNET Costs

I am checking with WSU/DALNET and DPL/DALNET staff to ensure that we have enough capacity on our existing Horizon and WebPAC servers to add both of these libraries. I am also checking with DPL to verify that there would be no additional costs to DPL this fiscal year to add these two libraries. As we are currently reviewing the services provided by DPL to DALNET for next fiscal year, I am not able to address additional costs to DPL for FY2000/2001. I assume those costs would come forward as part of the overall DALNET budget for that year, with these new libraries included.

If you need additional information for the DALNET Finance Committee meeting on June 23, please let me know.

Thank you for your consideration of this proposal.

cc. P. Jose, Chair, DALNET Board