

DALNET Executive Committee Meeting
May 22, 2006
9:00am-11:30am
Botsford General Hospital
Zieger Administration Building, Classroom C
Agenda

1. Call to order
2. Approval of March 6, 2006 Minutes – C. Agnew
3. New Director – S. Yee, M. Sheble
4. Reciprocal borrowing agreement – L. Mancini
5. Cost Allocation Task Force report – L. Mancini, M. Sheble
6. Project Managers charge -- S. Bowers
7. Strategic Plan Goals/Objectives/Projects – S. Bowers
8. DALNET Office report – S. Bowers
 - a. Single Database Project
 - b. MiLE
 - c. Server replacement plan
9. Website Publicity Task Force report – S. Bowers
 - a. Task Force members
 - b. DALNET logo
10. Budget report – R. Harris
11. Next Meeting and Adjournment – Aug. ?

Next Board meeting – June 19

Attachments: Executive Committee March 6, 2006 Unapproved Minutes

Future Agenda Items:

DALNET Executive Committee Meeting
Botsford General Hospital
Zieger Administration Building, Classroom C
May 22, 2006
9:00am-11:30am

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

1. Call to order, 9:07 am – D. Adams
2. Approval of March 6, 2006 Minutes – C. Agnew
Action/s
Minutes approved unanimously.

3. New Director – S. Yee, M. Sheble
Information
S. Bowers signed his contract last week. S. Yee is working on an announcement to send out to various groups, organizations, listservs, etc.

4. Reciprocal Borrowing Task Force – L. Mancini
Information
The Reciprocal Borrowing Task force has been formed. The members are L. Mancini, G. Libbey, M. Ketchum, C. Clark-Young, and S. Bowers. Their first meeting will be May 31, 2006.

5. Cost Allocation Task Force report – M. Sheble
 - a. Recommendations from Task Force

Information

We are under a three-year cycle to update the cost allocation formula. The new formula begins in FY 2007/08. The new formula is based more on the formula SirsiDynix uses to charge us. SirsiDynix uses physical locations not virtual locations in their pricing formula. The Task Force used Horizon locations in the new formula. At least half of DALNET members have more virtual locations than physical locations. S. Bowers calculated the formula both ways – physical and virtual – and there was not much difference between the two. Since the new formula is based upon a merged database environment, bibliographic records were not counted. The Task Force also looked at other consortiums to see what they were doing and the formulas they used varied.

For FY 2007/08, allocations would be limited to a 2% increase plus Board approved inflationary increases. Under the new formula if a member's allocation went down significantly, it would not decrease but remain at their current rate plus Board approved inflationary increases. Each member would pay a minimum of \$9,000. We will have to adjust the allocations whenever there is a membership change. Members whose current allocations are overpriced according to the new formula should not necessarily receive a new allocation when new members join DALNET. Members whose current allocations are overpriced according to the new formula should not receive the across-the-board allocation increase. Members whose allocations are in line with the new formula should pay a lesser increase than members whose current allocations are below allocations suggested by the new formula.

Currently we are not moving toward rightsizing. However, we need to right size the budget so that everyone is paying a fair price for services. The Task Force did not talk about how to bring members in line. One-on-one discussions are needed with members who are out-of-line in their pricing to see if they could handle paying more, perhaps by adding more to their allocations yearly to bring them in-line. The Executive Committee should put the Board on notice that we are going to think about how to establish an equitable way to right size member's allocations. The Executive Committee needs to discuss this issue some more before making a recommendation to the Board.

We never had a provision for dealing with downsizing for ILS members. We need to cap deductions as well as increases in member allocations due to downsizing. Beginning with the implementation of this formula in 2007/08, any major downsizing by a member would not result in more than a 25% decrease in the member's allocation for any one fiscal year. If the downsizing is a major reduction, the deduction may be phased-in. Members must give at least 14-months advance notice when downsizing.

Membership fees for non-ILS members would be based upon their operating budgets. There will be a flat annual increase for non-ILS members instead of an increase based on percentage. WSU and DPL allocations will be \$5,000 when the new formula goes into effect. The cost of some fee-based services will depend upon the project while others will be flat-priced items.

Action/s:

Motion by J. Bosler: Move to approve formula with changes discussed.

Motion seconded by D. Murphy.

Motion approved unanimously.

Motion to amend by M. Auer: Move to have annual increase of \$100 for non-ILS members whose operating budgets are up to \$999,999 and \$150 for those with budgets one million and above recognizing it is up for review every three years.

M. Sheble as Chair of the CATF finds the motion acceptable.

Motion approved unanimously.

b. **DMC cost allocation 2006/07**

Information

DMC has downsized their number of locations, closing two libraries with four libraries remaining. DMC has downsized on the DALNET end also. They want to continue in DALNET as one member with four libraries/locations. They are asking for a reduction in their allocation beginning October 1, 2006. Libraries are closed that would normally absorb the costs. The hospitals that closed libraries helped pay the bill last year. DMC provided the 14-month advance notification, which was made in July 2005. The notification was made early enough that it would be effective in 2006/07.

DMC has only paid half of their fees for this fiscal year. Consideration should not go into effect for DMC until they have paid their bill in full since they are one entity. A letter should be sent to DMC from WSU as DALNET's fiscal agent reminding them that they are under contract, work was done by DALNET, that DMC legitimately owes DALNET \$32,000, and that their bill must be paid in full before any deduction in DMC's membership allocation is allowed. The letter will be generated after this issue goes to the Board. B. Harris will send separate invoices to

the two DMC libraries that have not paid, showing what is outstanding by library. However, those institutions would not have an obligation to pay since DALNET has one formal contract with DMC and not with them.

DMC could be defined as the remaining four libraries and the new formula applied retroactively to them. We could do a phase in for DMC for fiscal years 2006/07 and 2007/08 with a 25% deduction in their allocation for each year. They would pay approximately \$24,000 for 2006/07 and \$15,000 for 2007/08. S. Bowers feels the budget could bear having DMC pay \$15,000 for both fiscal years. If there is a shortfall, it will come from reserves not the operating budget so that it does not effect other members' annual allocations. We will try to recoup money for this current year. If they still do not pay, DALNET will have to cut its losses.

Action/s

The Executive Committee agrees by consensus that a cost allocation reduction be given to DMC in 2006/07 to reflect the closing of DMC's libraries.

6. Project Managers charge – S. Bowers

Information

The Project Managers will vote on the charge at their next meeting on June 12, 2006.

7. Strategic Direction Goals/Objectives/Projects – S. Bowers

The DALNET office has 21 objectives which will be plugged into 5 goals and are working on 42 projects.

8. DALNET Office report – S. Bowers

a. Single Database Project

The DALNET office is still testing and working with SirsiDynix. A testing workday has been scheduled for June 5, 2006.

b. MiLE

The DALNET office is close to being able to come up on MiLE. Each week SirsiDynix issues a new release to fix problems that have come up. The DALNET office will have a recommendation by this Fall to look at as an alternative to MiLE if it does not come back up.

c. Server replacement plan

G. Marck has put together a recommendation for the next few years. The Executive Committee can give recommendations on the plan and/or call S. Bowers or G. Marck with questions. Any server older than five years will only be in the test environment. Two-three years would be the soonest we have to buy new machines unless release 8.0 needs newer machines. Maintenance fees for servers do escalate after year five and it makes sense to buy new machines when they get to be old.

9. Budget report – R. Harris

One other member besides DMC, Rochester College, has not paid their member allocation yet. We have not collected \$32,767 in revenues. We are looking at a bottom line of approximately \$66,000.

10. Farewell to Dave Murphy

D. Murphy will be moving back to Ireland this summer. Jon Campbell will be taking over as director of the Walsh College libraries on June 19, 2006. The DALNET Board will have to make a decision regarding his replacement on the Executive Committee.

Action/s

Motion by J. Bosler: Move to wish D. Murphy well, bon voyage, and thanks for his years of service to DALNET.

Motion approved unanimously.

11. Next Meeting and Adjournment

The next meeting date will be determined.

Meeting adjourned at 11:50 a.m.

Minutes submitted by Crystal Agnew.

Minutes approved by the DALNET Executive Committee October 23, 2006.