

DALNET Finance Committee Meeting Summary
Thursday, 5 September 2002
Macomb Community College

Finance Committee reviews FY 2002 financial report

Bob Harris presented the financial report, and said he anticipates that DALNET will end the 2001-2002 fiscal year with a balance of about \$20,000.

Committee requests more information for FY 2004-2005 budget planning

Bob Harris outlined a preliminary budget proposal for the 2004-2005 fiscal year, which begins a year from now, on 1 October 2003. After reviewing the proposal, the Committee discussed the current fiscal climate, and considered the impact of increased fees for members.

Committee members are concerned about the impact of any increases for the Detroit Public Library and Wayne State University, since DPL and WSU represent 74 percent of DALNET's total budget. Across-the-board percentage increases like those DALNET has implemented in recent years entail larger dollar amounts for DPL and WSU.

To acknowledge the contributions both of these libraries make to the DALNET membership, the Committee wants to look at ways to:

- 1) Keep budgets stable for DALNET members.
- 2) Provide equity to DPL and WSULS.
- 3) Narrow the gap between DPL and WSU and other members – a gap that seems to grow with each across-the-board percentage increase in DALNET fees.

After reviewing preliminary budget figures for the FY 2004-2005 budget, the Committee asked staff to come back with revised figures showing various scenarios. Options the Committee wishes to review include:

- Keeping the FY 2004-2005 budget the same as the 2003-2004 amount.
- Using reserve funds and savings from FY 2002 to cover any increases for DPL and WSU in FY 2002-2003, as a step toward balancing their allocations without impacting other members.
- Freezing DPL and WSU at the 2002-2003 level, and apportioning subsequent increases among other members.

Before recommending a proposed budget at the 28 October Board meeting, the Committee wants to meet again to review the revised budget scenarios staff is preparing. In its recommendations to the Board, the Committee also wants to propose that DALNET review its cost allocation formula for current members.

The Committee asked staff to develop a budget for upgrading the DALNET production servers as well. Options to be considered include consolidating the DPL and WSU production servers into a single server operation at Wayne State University.

Committee develops draft charge for Executive Committee

After discussing roles and responsibilities for the Executive Committee, the Finance Committee asked staff to prepare a draft charge for presentation at the 23 September Board meeting. Once the Finance Committee reviews and approves this draft, staff will send it to the DALNET Board.

Next meeting

The Committee's next meeting will be at 9 AM on Monday, 7 October at the Detroit Public Library. At this meeting, the Committee will prepare a proposed FY 2004-2005 budget for presentation at the 28 October DALNET Board meeting.

Attendance

Patricia Orr, Chair; Margaret Auer, Jerry Bosler, Nancy Bulgarelli, Robert Harris, Phyllis Jose, Nancy Skowronski, Karen Tubolino and Sandra Yee. Staff: Scott Muir and Michael Piper.

16 September 2002

TO: DALNET BOARD OF DIRECTORS

FROM: DALNET Finance Committee

SUBJECT: Proposed charge for the DALNET Executive Committee

DESIRED ACTION: Approval of these recommendations at the 23 September DALNET Board meeting (Agenda Item 4b)

In May, the DALNET Board agreed to expand the Executive Committee to include the five at-large representatives on the current Budget and Finance Committee. In June, the Board discussed the Executive Committee's roles and responsibilities, addressing questions posed by the Finance Committee. After considering the Board's responses to these questions, the Finance Committee hereby presents our proposed charge for the DALNET Executive Committee.

DALNET Executive Committee: Proposed charge

In collaboration with the DALNET Board of Directors, the Executive Committee will be responsible for:

- Budget development and review
- Strategic initiatives and goal-setting
- Periodically reviewing the DALNET Bylaws
- Membership issues
- Policy recommendations
- Vendor-related contractual issues
- Advising the DALNET President on the Director's annual performance review
- Participating in the process of recruiting a new Director, when and if this becomes necessary.

The Executive Committee will be authorized to act on the Board's behalf between meetings, with the understanding that Executive Committee actions between DALNET Board meetings will be presented for ratification at the next DALNET Board meeting.

Membership

The Executive Committee shall include the DALNET Board's President, Treasurer, Chair, Vice-Chair, Secretary and five at-large members. To ensure that the Executive Committee always includes a representative from the Detroit Public Library, the at-large members will include a representative from the Detroit Public Library, if none of the Officers of the Board are from DPL.

Commencing each October first, the Executive Committee's at-large representatives shall be elected to 3-year terms. Initially, after the September 2002 election, at-large members will draw straws for 1, 2 and 3-year terms, to avoid having the terms of all five at-large members end simultaneously.

Annual Board review

The DALNET Board will review the Executive Committee's activities and make new assignments as needed.

Proposed 2003 assignments

- Prepare the proposed FY 2004-2005 DALNET budget for presentation at the October 2002 DALNET Board of Directors meeting.
- Review the DALNET cost allocation formula for current members, and present findings and recommendations at the XXXX DALNET Board meeting.
- Review the DALNET Bylaws and present findings and recommendations at the XXXX DALNET Board meeting.
- In collaboration with the DALNET President and with the Director, implement a 360-degree performance appraisal for the DALNET Director by 30 April 2003, resulting in a process that incorporates input from the DALNET Board and staff into the Director's performance appraisal.
- Assume a leadership role in developing a DALNET strategic plan by 30 April 2003, including a vision for moving DALNET to the next generation of ILS.