

DALNET Finance Committee

July 29, 1996

PRESENT : Margaret Auer, Patricia Senn Breivik, Gloria Ellis, Kul Gauri, Robert Harris, Phyllis Jose

Discussion focused on the issues drafted for discussion by Patricia Breivik and reviewed by her at the July 25 retreat :

1. Baseline member services, with flexibility to choose from optional, add-on services
2. Equal vote for all members
3. DALNET administrative cost sharing
4. Founding member status (financial)
5. Contract termination provision

Various models will be prepared for the committee to review as it drafts specific criteria for the principles on which there was consensus:

PRINCIPLE : The baseline price should deal with system related issues only. It should include those services which are cost prohibitive for a member to be excluded (e.g., MDAS).

PRINCIPLE : Members should be equal participants in discussion and in formulating options. There should be a proportional way to vote which recognizes differences in contributions (financial); this would be used only when consensus cannot be reached. As DALNET moves to a new system/services, this would be the time to establish different procedures.

PRINCIPLE : Some costs are the same for all institutions no matter the size and these should be equitably shared. Currently these are folded into the costs which are proportionately shared. The portion is based on the size of operation : number of terminals, volume (number of records) and circulation. What, in addition to staff costs, should be the same for each member? Should there be a tiered structure? Should a model be based on a baseline of administrative costs, the Library Management System and MDAS? One or more models will be prepared with the base amount increased by tiers. Should changes be phased in? Should there be a positive incentive for unique titles?

PRINCIPLE : As DALNET moves to a new system, the same contractual arrangements should be applied to all members. Because of its impact on the budget, contract termination should require a year in addition to the 60 days notice specified.

New members would impact costs. Current members are non-profit organizations; do we want for-profit members? There is a need to look at legal limitations, both the law itself and the NOTIS contract.

In answer to the question of DALNET Board liability, Patricia Breivik explained that Wayne State University is the organization involved; the DALNET Board serves in an advisory capacity and therefore is not liable.

The Finance Committee will serve as a "sounding committee" before the budget is presented to the Board for approval. The Board is scheduled to take action on the budget at its September 6 meeting. The Finance Committee will meet Monday, August 26 at 12:30 p.m. at Wayne State University to review the budget. The budget package will be mailed to committee members a week before the meeting.