



WINNEFOX LIBRARY SYSTEM

106 Washington Avenue, Oshkosh, WI 54901-4985
phone (920) 236-5220 fax (920) 236-5228
www.winnefox.org

MEMORANDUM

DATE: March 11, 2008
TO: Winnefox Library System Board of Trustees
FROM: Jeff Gilderson-Duwe
RE: Proposals for reorganizing WALs funding and decision-making

The purpose of this memorandum is to accompany and provide context for three documents submitted for your consideration by the WALs Executive Council (WALS EC): 1) WALs Terms and Conditions of Service; and 2) Winnefox Technology Executive Council By-Laws. Both documents will require your approval to take effect; and 3) A Resolution to withdraw from the current WALs Agreement and to approve the other two documents.

Taken together, they accomplish two objectives that Winnefox member libraries have requested: 1) a single procedure for calculating all library WALs payments; and 2) inclusion of more member library directors on the committee that advises Winnefox on technology services.

Member library directors have been informed of the substance of the proposed changes and have had opportunity to offer suggestions for changes. The changes were unanimously approved by the WALs Executive Council on February 22, 2008 and endorsed by the Winnefox Strategic Planning Committee on February 26, 2008.

Background:

Since I began as Winnefox Director two years ago, we have been discussing how to improve the system as a whole and WALs in particular. I believe these discussions have been about finding better ways to serve all of our member libraries. As the strategic planning process began last year, we found that WALs discussions were dominating the meetings. In order to focus attention on the needs of Winnefox, the planning committee delegated to the WALs EC the task of recommending changes to improve WALs.

The WALs Executive Council began with an airing of concerns on March 14, 2007. Many issues were brought to light. The most fundamental issue raised was a sense that decision-making on technology issues was not open enough; that too few points of view were formally represented at the WALs Executive Council meetings.

To review the current organization, the WALs Executive Council is made up of the directors of the WALs Member libraries (Berlin, Fond du Lac, Menasha, Neenah, Oshkosh and Ripon) and the WCTS program coordinator (to represent the interests of smaller libraries). WALs Member library boards have each approved a formal agreement with Winnefox that details the nature of their relationship with WALs. The agreement requires them to bear a greater liability for potential financial reverses and to pay into WALs according to a formula rooted in their use of the shared catalog system resources (the formula considers share of total circulation and relative size of item and patron files).

By contrast, all other libraries using the shared catalog system have been characterized as WALs Associates. WALs Associate library boards have no formal agreement with Winnefox for their participation in WALs. Unlike the WALs Member libraries, WALs Associates have borne no financial liability for WALs budget shortfalls. WALs Associate fees were originally based upon the number of “terminals” in each library. When that approach no longer made sense (because of such developments as “dumb terminals” giving way to PC workstations), the base fee levels established under the old formula were adjusted annually by each library’s circulation, service population and expenditure budget. An effort was made to hold annual increases in WALs Associate fees to reasonable levels. Even so, we recognize that some WALs Associate libraries devote a large percentage of their overall expenditure budgets to WALs fees. WALs Associate libraries have not been voting members of the WALs EC, although they have been allowed to attend meetings and participate in discussions.

Although the Winnefox Board has ultimate governing authority over WALs, the WALs EC has played a significant role in the administration of WALs – i.e, making important recommendations about the SirsiDynix (earlier Sirsi and DRA) library automation system, the telecommunications network necessary to move the data around, and the email system. The Winnefox Board has given weight to the recommendations of the WALs EC because the library directors who are its members have a significant stake in the smooth functioning of the shared library automation and telecommunications systems.

The WALs EC has also played a role in decision-making about Winnefox technology services that are funded by state aid dollars – not WALs Member and WALs Associate library fees. Examples of state-aid supported technology services are PC purchasing and support and member library web site development.

Beginning in September, 2007 the WALs EC began meeting monthly to work on formulating recommended changes to the governance structure and decision-making processes of WALs. As discussions proceeded, we identified a set of goals: What follows is a list of those goals and a description of how each has been addressed in the proposed new documents (Terms and Condition of Service and Winnefox Technology Executive Council By-Laws):

- Recognize that WALs is a service of Winnefox, ultimately governed by the Winnefox Board, rather than a quasi-independent sub-program.

This goal is achieved by replacing the WALs member agreement with a set of terms and conditions of service. By doing so, we recognize that the Winnefox Board is – and always has been – the ultimate governing authority over WALs. As such, it and not the member libraries is responsible for any budget shortfall in the operation of WALs. With these points established, there is no longer any need for member agreements approved by individual library boards. The Winnefox Board may set the terms of service. Library boards will signal their agreement by approving payment of the annual WALs fee. Individual library directors may wish to seek formal approval of the WALs terms and conditions document; however Winnefox will not require it.

- Establish a single procedure for determining payments for all WALs libraries; the formula must be fair, rational and politically defensible.

The payment calculation procedure in Section C. of the proposed Terms and Conditions document is founded on two main elements:

- 1) A base fee, determined during each year's budget process. The base fee will be a minimum level of support for a library to participate in WALs, representing each library's share of fixed costs that are independent of library size or the number of libraries participating.
- 2) The formula now used to calculate WALs Member library payments, based on circulation and item/patron file size, that allocates support among libraries according to their overall use and impact on the system.

We estimate that a few member libraries will see significant payment increases in moving from the WALs Associate fee approach to a "one formula for all" approach. I plan to seek Winnefox Board approval to use unallocated reserve funds to ease these libraries' transition to the new payment calculation method.

- Open decision-making on WALs and other Winnefox technology matters to more library directors.

The Terms and Conditions document allows the Winnefox Board to recognize a new body – successor to the WALs EC – empowered to make recommendations on WALs and other technology matters. To be called the Winnefox Technology Executive Council, this new body will supplement the membership of the current WALs EC with three at-large members to be elected by Winnefox library directors.

- Balance the interests of the current WALs Member libraries (who "bought into" the shared catalog system early and see themselves as the most heavily invested stakeholders) and those of the current WALs Associate libraries:

With ten total votes possible on any issue (one each for the Winnefox Director, six current WALs Member library directors, and three at-large library directors), we believe the Winnefox Technology Executive Council composition will be balanced. The addition of three at-large members will be a healthy supplement to the diversity of viewpoints already evident among the members of the current WALs EC.

- Keep WALs EC meetings and decision-making processes manageable (i.e., small group setting as opposed to meetings of all directors).

We judged that a smaller group meeting would be more easily scheduled and more effective in discussion and decision-making. Some Wisconsin automation system consortia hold regular meetings of all directors. We do not think that Winnefox member library directors want to attend more system meetings. Winnefox has the All-WALs meetings that allow broad-based discussion as needed. Consensus assessments or votes can be taken on issues and recommendations referred to the WALs EC as needed.

- Achieve greater accountability to all WALs participants by making Winnefox Technology Executive Council proceedings more formal and transparent with apparatus such as published agendas and minutes.

These measures are covered in the proposed Winnefox Technology Executive Council By-Laws in section E. Meetings.

- Formally recognize the role played by the new Winnefox Technology Executive Council in advising Winnefox on state aid-funded technology projects and services.

This is addressed in Section N. of the proposed Terms and Conditions document. That section empowers the new committee to “provide guidance and make recommendations to Winnefox for the development of WALs and other Winnefox technology services.”

- Allow for the creation of committees charged making recommendations to the Winnefox Technology Executive Council on specialized issues (i.e., circulation, reference).

This is addressed in Section F. of the by-laws document.

As a practical matter, I do not think that these proposed changes will make a significant impact on the daily operations of Winnefox member libraries. I believe that they will be positive changes if they achieve increased rationality, openness, and accountability – and, thereby, greater trust – in WALs. I look forward to discussing these documents with you at your meeting on March 19th.

WINNEFOX AUTOMATED LIBRARY SERVICES (WALS)
TERMS AND CONDITIONS OF SERVICE

The Winnefox Library System administers a service to its member libraries known as Winnefox Automated Library Services (WALS). The purpose of WALS is to enable resource sharing and improve library efficiencies by providing a shared, integrated library automation system and the necessary infrastructure to connect all Winnefox member libraries. The components of the system include circulation control, an on-line catalog, acquisitions and e-mail.

The following terms and conditions of service are approved by the Winnefox Library System Board of Trustees and may be modified by its consent:

- A. A Library will begin sharing annual operations costs of WALS when its equipment is installed and training is received for inventory conversion and patron record creation.
- B. The annual WALS budget will be completed in accordance with the budget timelines of the Libraries and Winnefox, and in sufficient detail to support the amounts requested.
- C. As part of each year's WALS operating budget process, the costs for operations and maintenance will be determined and shared among the Winnefox member libraries using the procedure described in this section.
 1. Calculate the total costs: The total costs will include purchase and maintenance of hardware and software, catalog records, personnel, equipment, supplies, telecommunication costs, contracted services and charges such as rent and utilities, and insurance. The total costs will also include an amount to be added to the WALS Capital Reserve Fund, which is used for replacement and/or improvement of the central site computer systems and/or telecommunications equipment.
 2. Adjust costs to be shared: Subtract Winnefox payment from the total costs to determine the total costs to be shared among Winnefox member libraries.
 3. Establish a base payment amount: The base will be a minimum amount to be paid by each library that year.
 4. Calculate each library's percentage share of the total costs: The formula for allocating the costs shall be determined by calculating the average of the following two (2) percentages: the library's proportion of total annual circulation transactions and the library's proportion of item and patron file sizes. The percentages shall be calculated using the annual statistics for the prior year.
 5. Calculate each library's amount share of the total costs: For each library, multiply its percentage share of total costs by the adjusted total costs.
 6. Adjust the payments of libraries below the base: Any library whose payment as calculated in C.5. falls below the base amount will have its payment increased to the base.

7. Adjust the payments of libraries above the base: The amounts of the adjustments made to bring libraries up to the base will be added together. The total of the adjustments will be used to reduce the payments of those libraries whose payments as calculated in C.5. are above the base payment amount.
 8. Assist member libraries to make the transition to a new funding formula: Starting in 2009, Winnefox will provide financial assistance to member libraries that experience significant payment increases when moving to the new funding formula.
- D. Library payments are due upon billing at the beginning of each calendar year. Payment terms for all accounts will be due net 60 days from invoice date. Failure to comply with the payment terms may result in the following penalties:
- a. for accounts 1-60 days past due – nine percent (9%) interest on amounts delinquent
 - b. for accounts 61-120 days overdue – eighteen percent (18%) interest on amounts delinquent
 - c. for accounts 121-180 days overdue – cessation of some or all automation services
- E. WALS funds will be managed by Winnefox. They will be deposited and handled as are other funds managed by Winnefox. Winnefox will maintain WALS funds separately from other Winnefox funds and will draw on them solely to pay expenses necessary to develop and maintain an automated resources system. WALS funds will be covered by Winnefox's annual audit and copies will be provided upon request.
- F. Winnefox will be responsible for the purchase and maintenance costs of all central site equipment and all equipment located in libraries that it deems necessary for the efficient operation of the shared, integrated library system and/or the telecommunications infrastructure. Winnefox will insure and hold title to that equipment.
- G. Libraries will be responsible for the purchase and maintenance costs of all equipment located at their own locations, such as PCs, switches, routers and self-charge equipment. Each library will also be responsible for any costs that are related solely to the support of such equipment. The purchase of the initial local equipment will be made through WALS. Each Library may subsequently buy additional equipment directly through WALS or from another vendor. Equipment purchased on behalf of the libraries by Winnefox, for use in their facilities, shall be owned and insured by the Libraries.
1. Libraries will each be responsible for the purchase of their own supplies such as library cards, barcodes and radio frequency identification (RFID) tags. The purchase of supplies may be coordinated by WALS.
 2. Libraries will each be responsible for any cabling or electrical work needed in their own facilities to connect their equipment. The contracts for such work may be coordinated by WALS.
- H. Libraries participating in the shared, integrated library automation system will purchase materials for their local collections to meet local demand, and will share those materials with other libraries. Some high-demand items in each library's collection may be kept for local use until the local need is met.

- I. Libraries will maintain accurate patron and item records.
- J. Libraries will ensure that their employees receive initial and ongoing training in the use of the system.
- K. Any library which fails to observe WALS policies and procedures will be billed for the staff time lost due to failure to follow such policies and procedures at the average rate of salaried project employees including benefits. Such a bill will be for actual time expended on the problem but in no case for less than one hour. Additionally, any vendor or other contractual charges directly attributable to failure to follow agreed upon policies and procedures will be charged in full to the library responsible.
- L. Continued failure to follow agreed upon procedures may result in action by Winnefox, including cessation of some or all automation services.
- M. A library may withdraw from participation in the WALS automated resources system at the close of any calendar year by notifying Winnefox in writing by June 30 of that year. The withdrawing library will be billed for the costs of extracting a copy of its records from the WALS database and purging its data and current transactions.
- N. The Winnefox Technology Executive Council (WTEC) will provide guidance and make recommendations to Winnefox for the development of WALS and other Winnefox technology services. WTEC will operate according to by-laws approved by the Winnefox Library System Board of Trustees.

WINNEFOX TECHNOLOGY EXECUTIVE COUNCIL BY-LAWS – PAGE 1

WINNEFOX TECHNOLOGY EXECUTIVE COUNCIL BY-LAWS

ARTICLE I: NAME

- A. The name of this body shall be the Winnefox Technology Executive Council (hereinafter referred to as WTEC).

ARTICLE II: PURPOSE

- A. The purpose of WTEC is to provide guidance and to make recommendations to Winnefox for the development of Winnefox Automated Library Services (hereinafter referred to as WALs) and other Winnefox technology services.

ARTICLE III: COMPOSITION

- A. The Director (or designee) of the Berlin, Fond du Lac, Menasha, Neenah, Oshkosh and Ripon public libraries shall be ex-officio members of the WTEC.
- B. The Director of Winnefox (or designee) shall be an ex-officio member of WTEC.
- C. Other Winnefox member libraries shall elect three (3) members at large to WTEC.
- D. The WALs Technology Coordinator, the Winnefox Assistant Director and the Winnefox Cooperative Technical Services Program Coordinator will be ex officio non-voting members of WTEC.
- E. If the Director of Winnefox is also the Director of Oshkosh Public Library, he/she may cast two votes rather than appointing a representative from either agency to represent the interests of that agency.

ARTICLE IV: DUTIES

- A. Work with WALs management and staff to adopt such policies and procedures as are necessary to coordinate and facilitate use of the automated resources system.
- B. Recommend an annual WALs operating budget for approval by the Winnefox Board of Trustees and monitor budget reports.
- C. Address concerns raised by member libraries regarding the operations of WALs or other Winnefox technology services.

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- D. Provide oversight and guidance on projects related to WALs and other Winnefox technology services. Evaluate ideas for new projects, monitor the status of continuing projects, and make recommendations on priorities among technology projects.
- 1) Continuing projects include the development and maintenance of a telecommunications network; computer servers and associated equipment; network user accounts; email; a shared bibliographic database; integrated library system software for servers, clients and public access; procedures for cataloging, acquisitions, circulation/inventory control; and reporting of statistical data.
 - 2) Special projects are those activities that are not ongoing, that relate to the development and advancement of the shared, automated resources system.
- E. Participate in long range planning activities pertaining to WALs and other Winnefox technology support services.

ARTICLE V: ELECTIONS, OFFICERS AND DUTIES.

- A. Elections for at-large members of WTEC shall be held at the Winnefox annual meeting. Nominations for at-large WTEC members may come from the floor and must be seconded by at least one other library. Ex officio members shall not participate in nominating or electing at-large members.
- B. The new members of WTEC will take office at the first meeting following the Winnefox annual meeting.
- C. The officers of WTEC shall be the Chair, and the Vice-Chair. The Winnefox Director shall serve as Chair. The Vice-Chair shall be elected by the members of the committee at the first meeting following the Winnefox annual meeting.
- D. The Chair shall establish the agenda for and preside at all meetings of WTEC; shall see that the by-laws are enforced; shall appoint all sub-committees with the approval of WTEC, designating one member of each committee as Chair; shall authorize calls for special meetings; and shall generally perform the duties of a presiding officer. In the absence of the Chair the Vice-Chair shall serve as Chair.
- E. The Vice-Chair shall perform all of the duties of the Chair in his/her absence.
- F. A Winnefox employee shall serve as secretary at meetings, taking minutes and disseminating them to all WALs members upon approval by WTEC.

WINNEFOX TECHNOLOGY EXECUTIVE COUNCIL BY-LAWS – PAGE 3**ARTICLE VI: MEETINGS**

- A. A schedule of regular meetings of WTEC shall be established annually by the committee, including the place, time and date of each meeting. The date or time may be altered provided that such decision is made at a meeting prior to the meeting in question or by emergency decision of the Chair, and provided that proper notice is given. The schedule of meetings for the upcoming year shall be posted on the Winnefox extranet. Meetings of WTEC shall be open to representatives of all Winnefox member libraries.
- B. A quorum of WTEC shall be required to conduct committee business. A quorum shall be defined as a simple majority of the committee. Decisions require a simple majority of the votes present. Members of WTEC may send a voting proxy to any meeting they will be unable to attend, or designate another member of the committee as their proxy.
- C. The WALs Technology Coordinator or her/his alternate (in case of emergency absence) shall attend all WTEC meetings.
- D. Meeting agendas shall be provided by the Chair to the Winnefox office in a timely fashion and will be posted online by the designated Winnefox staff at least seven calendar days before the meeting. Any member of the committee may request that an item be placed on the agenda of the next meeting by making such request in writing (including email) at least 24 hours prior to the posting of the agenda.
- E. Any five (5) Winnefox members may request that an item be placed on the agenda of the next meeting by making such request in writing (including email) at least 24 hours prior to the posting of the agenda. An Agenda may be modified at a meeting with the unanimous approval of members present, representing no less than seven members of the full committee.
- F. The order of business at all regular meetings of WTEC shall be determined by the Chair and shall include the following:
- 1) Call to order;
 - 2) Establishment of Quorum;
 - 3) Minutes;
 - 4) WALs Financial Report (once every two months);
 - 5) Report on WALs operations and projects
 - 6) Report on other Winnefox library technology services and projects;
 - 7) Committee Reports,
 - 8) Communications;
 - 9) All Other Business.
- G. Special meetings of WTEC may be called by the Chair, or upon written request of five voting members of the committee. Notice of any special meeting shall be

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delivered to each member at least one week in advance of such meeting, with a statement of time and place, and information as to the subject or subjects to be considered.

ARTICLE VII: COMMITTEES**A. Winnefox Standing Technology Committees:**

Winnefox shall have the following standing technology committees. The standing technology committees will provide information to and support the work of WTEC. It is expected that each library accounting for 5% or more of the circulation of the WALs system will send a representative to each of these committees. Directors of member libraries or their designees are encouraged to attend as well. WALs & Winnefox staff will participate in these committees. Significant recommendations from any of these committees to WTEC may be discussed by the entire Winnefox membership.

- 1) **ALL-WALS.** The ALL-WALS meeting occurs three times per year. It is not, strictly speaking, a committee. However, it is an opportunity, open to all members, for training, sharing, and discussing issues and concerns. Consensus recommendations on policies and procedures may emerge from discussion in these meetings. Portions of these meetings may be used to discuss guidelines and procedures pertaining to WALs operations, including resource sharing, bibliographic and patron database maintenance, and statistical reporting. Recommendations will be forwarded to WTEC for consideration.
- 2) **Circulation Services User Group.** The purpose of this group shall be to make recommendations to WTEC regarding changes in circulation policies and procedures.
- 3) **Emergent Technology Committee.** The purpose of this committee shall be to explore using technology to improve service delivery. This committee will forward recommendations to WTEC for changes to WALs and to Winnefox technology services.
- 4) **Reference & Adult Services User Group.** The purpose of this group shall be to serve as a forum for sharing best practices, sharing ideas for improving programs and services for adults in system member libraries and for formulating guidelines and procedures pertaining to improving users' experiences of digital information resources, including the public access catalog, purchased electronic resources, etc. User group recommendations will be forwarded to WTEC for consideration.
- 5) **Other committees may be established by the Chair with the approval of WTEC.** All such committees shall be created with a stated purpose and a time

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certain in which to accomplish said purpose. All committees appointed under this section shall cease to exist upon their final report to WTEC, or their established sunset date, whichever occurs first.

ARTICLE VIII: POLICIES AND PROCEDURES

- A. WTEC will, on a regular basis, recommend policies and procedures for the efficient and effective operation of the automated system. Each member library is responsible for adherence to these policies and procedures, provided they have been distributed to each member library at least one month prior to the date they go into effect.

ARTICLE IX: PARLIAMENTARY AUTHORITY

- A. The rules contained in the current edition of Robert's Rules of Order shall govern the organization in all cases to which they are applicable and in which they are not inconsistent with these by-laws, the membership agreement, Wisconsin Statutes, or any special rules of order WTEC shall adopt.
- B. In cases where the sources of authority are in conflict, the Wisconsin Statutes shall take precedence, followed by the WALs Terms and Conditions of Service, these by-laws, any special rules adopted by WTEC, and finally Robert's Rules of Order.

ARTICLE XI: AMENDMENTS

- A. These by-laws may be amended or changed at any meeting of WTEC at which a quorum is present provided that the proposed amendment is properly noticed on the meeting agenda and that amendment or changes were distributed in writing and distributed to all members at least seven days in advance of the meeting at which the amendments are to be voted upon. Once approved by WTEC, changes to by-laws will be forwarded to the Winnefox Board of Trustees for final approval and implementation.