



April 6, 2006

Members Present: Ewa Barczyk, Peter Hamon, Sally Drew, Cynthia Lynch, Joyce Huang, Linda Bendix, Marc Boucher, Rita Magno, Mary Lou Zuege, Fred Marini

Others Present: Patrick Wilkinson, Karen Boehning, Kathy Schneider.

The meeting was called to order at 9:35 a.m. by Chairman Barczyk. A MOTION to approve the minutes of November 7, 2005 was made by Boucher, seconded by Zuege and passed by voice vote.

FINANCIAL REPORT

Kathy Schneider presented the July-December financial report which was reviewed and accepted by the WiLS Board Financial Committee on March 24th. Members noted that current year income seemed lower than the previous year, and Schneider indicated that this was due to the decrease in the WiLS surcharge. The ILL "give-back" took place in December; with the exception of DPI and the UW systems, individual sums were small.

STRATEGIC PLANS

The Board reviewed Schneider's report on the WiLS Member Community and agreed that the background information on the various types of member libraries was interesting and useful for planning purposes. Breakdown of current WiLS membership is as follows: UW system (40%); private colleges (18%); school libraries/districts (17.6%); public libraries/districts (15%); special libraries (5%), and technical colleges (3%). Schneider presented 4 draft strategic goals. The first three outlined ways in which WiLS members would work together as a community: (1) to position libraries to be where and when users need information; (2) to address the next generation of issues surrounding electronic content, and (3) to enhance the user experience in obtaining needed information. Goal 4 focused on expanding participation by Wisconsin libraries in the OCLC cooperative. Discussion centered on the necessity of finding new income streams for WiLS; how technology will change OPAC's, and the desirability of increasing the planning period from two to three years. Board members suggested adding a goal to reflect the importance of promoting WiLS services, as Schneider had undertaken in the "What has WiLS Done for You Lately" project. It was agreed that the plan itself was less important than the ability of WiLS to react to member's needs.

Members discussed Schneider's document on trends, opportunities and challenges.

TRENDS. Interlibrary loan continues to average about 115,000 requests/year, but now 60% of the requests come from the UW Madison contract. It is assumed that 10 years from now, ILL will be much-reduced and focused on items not available electronically. In OCLC services, cataloging activity is down, but subscription pricing has increased the number of users. The phase-out of commissions paid by OCLC is now one year away: the financial impact to WiLS will necessitate increasing income and reducing costs. The "rainy day" funds set aside a few years ago will help during this transition. The trend toward virtual reference is growing in academic and public libraries; the key challenge remains funding the service in smaller libraries. E-Books: a separate NetLibrary group for schools will be developed; the academic group is looking into patron-driven acquisitions; "OverDrive" is going strong in public libraries. OPPORTUNITIES. The Group Services Initiative offers potential for significant growth in OCLC users, with phase 2 starting in July; much interest has been expressed in creating geographically-based scopes. There is real growth potential for CatExpress in the school and special library markets. Wisconsin Heritage Online (WHO) will create a realm of new WiLS member types among historical societies and museums.

CHALLENGES. As OCLC eliminates commission income, WiLS will need to respond and adjust to a changing relationship and its financial impact. In the WiLS office, staffing will be a challenge, with 10 of the 16 current WiLS employees nearing retirement age. After thorough discussion of strategic planning issues, a MOTION was made by Boucher, seconded by Huang, to approve the WiLS Strategic Goals 2006-2008, with the changes suggested. Motion passed by voice vote.

PRELIMINARY BUSINESS PLAN (Action Plan July 06-June 07)

Schneider presented a report on two areas where the focus will be growth: Group Services and AskAway. GROUP SERVICES will enter Phase 2 in July, with the goal of adding all libraries already part of the FirstSearch WorldCat group; emphasis is currently on academic libraries. Phase 3 emphasis (January 2007) will be on public library systems. Once the Public and Academic communities are on-board, Unlimited OCLC WorldCat could be opened up to school libraries at no cost. The Board will make this decision. The WiLS partnership with Illinois in the ASKAWAY virtual reference training services will continue; Illinois seems to be looking to expand its partnership with WiLS.

WISCONSIN HERITAGE ONLINE (WHO). The WHO Committees have created detailed Financial and Business Plans for this project. The Business Plan lists goals, guiding principles, vision, potential audience and overview of possible services; 8 working groups or advisory committees are identified; a three-step implementation plan is suggested. The State Historical Society seems to have accepted the role of "Champion" for this project, and is officially onboard as the central host site for WHO content. UW Madison will develop and operate a harvester to collect metadata; WiLS will serve as the coordinating organization and financial manager and will provide the position of Project Manager; DLTC will continue to provide a source of funds for digital projects for libraries, and the Milwaukee Public Museum will provide technical expertise and a link to the museum community. Board members commended Schneider and the various working groups for their hard work. The Financial Plan: UW Madison will be allocating \$50,000 to year one, and possibly year two, of the project; Schneider suggested that WiLS contribute \$25,000 in FY06/07, and \$10,000 in FY07/08 and FY08/09. This funding will carry the project initially, but the Financial Plan suggests that future revenue will come from project management fees, project support fees, and a surcharge for licensing Content DM. A MOTION was made by Huang, seconded by Bendix, to allocate \$25,000 from WiLS

06/07 budget to support the WHO project, and passed by voice vote. Members reaffirmed that the \$35,000 remaining from the initial \$60,000 that was set aside to support WHO will continue to be carried in the WiLS budget for possible future funding.

WiLS DIRECTOR'S REPORT

Schneider reported that she is serving as a member of a negotiating team formed by network members of OCLC. The group was formed in response to OCLC's rewrite of the Network Manual. Formerly, the manual (written in the late 1980's) served as a guideline that outlined areas of organizational and operational responsibility. The new Manual is more of a labor agreement than a representation of the relationship between OCLC and the networks, and some language in the Manual suggests that OCLC has the power to sever its relationship with a network at any time. The negotiating team is suggesting revisions to OCLC and a meeting should take place shortly. Schneider assumes that OCLC wants the issue resolved before the next Members Council meeting in February. She will keep the Board posted on new developments.

In other news, Schneider reported that WiLS is contracting with the State Library of Illinois to provide initial training and implementation assistance for virtual reference; primarily, WiLS will "train the trainers." This project will provide additional income in FY06. A network planning retreat was held in mid-October which focused on ways that networks could collaborate more extensively in offering OCLC and non-OCLC services; there is a current plan to share online education and training materials.

PLANNING FOR WiLS WORLD & MEMBERSHIP MEETING

WiLS World will take place on Wednesday, July 26th and Thursday, July 27th, with the membership meeting scheduled after breakfast on Thursday morning. Program ideas include AskAway Virtual Reference, BadgerCat and OCLC Group Services, Wisconsin Heritage Online, and a discussion of the WiLS Strategic Plan. Members agreed that the breakfast meeting would be an ideal time to "launch" Wisconsin Heritage Online, and describe its progress to date. Conference materials will indicate the starting time for the talk so that members not coming for breakfast can plan to arrive in time to hear all about WHO. It was suggested that similar information about WHO be presented at the WLA conference. It was agreed that, rather than having a session at WiLS World about WiLS Strategic Plan, the information should be included as a handout in the conference materials.

FEES PROPOSED FOR FY2007

Members reviewed the proposed fee structure for FY2007, which had been accepted by the WiLS Finance Committee in March. In general, there is a 3% increase for all WiLS membership categories, and an increase of 4-5% in OCLC fees. The proposed WiLS surcharge will be 13.3% (up from FY06, but still below FY05 and FY04). After discussion, a MOTION was made by Hamon, seconded by Boucher, to approve the FY07 fee structure as proposed. The motion passed by voice vote.

MEMBERS COUNCIL REPORT

Boehning reported on the February meeting in Dublin, Ohio. Among the topics of discussion at the meeting were the future of online catalogs and the movement by libraries towards more web-based services. One meeting next year will take place in

Quebec City.

BOARD ELECTIONS

Elections were deferred until the July meeting when new members will be present. With 10 Board Members completing their terms this June, it was suggested that the expiration dates for terms of new members be staggered so that the Board could retain continuity from year to year.

WiLS Director's Report

Schneider's report included: an update on the "What has WiLS Done for You Lately" project (extremely well-received by member libraries and something that will be done on a regular basis); an update on the relations between OCLC and member Networks (a revision to the Network manual was negotiated and is now "official"); a report on new direct-access to MINITEX for WiLS ILL members; the role of WiLS as billing agent for the National Transportation Group Catalog; announcement of new WiLS staff member Mary Robb (Coop/Business Assistant); and update on WiLS World keynote speakers (Stephen Abram of SirsiDynix and Lorcan Dempsey of OCLC).

OTHER BUSINESS The CAMPAIGN FOR WISCONSIN LIBRARIES.

Schneider and the Board discussed the appropriateness of WiLS contributing funds to this publicity campaign, which was devised by the Wisconsin Library Association Foundation to raise awareness of the value and importance of Wisconsin libraries. Members agreed that recognizing this campaign was important and consistent with WiLS goals and vision. Schneider reported that WiLS did contribute some funding in the past for a series of television ads promoting libraries, but did not regularly make contributions to other organizations. A MOTION, made by Hamon, and seconded by Boucher, to contribute \$1,000 to the Campaign for Wisconsin Libraries passed by voice vote. As a final item of business, Schneider alerted Board members to the fact that another Wisconsin organization, Wisconsin Leadership Seminars, has adopted the name of "WILS." The organization is a volunteer group that provides weekend leadership seminars for high school sophomores throughout Wisconsin. The group has use "WILS" for about 2 years. Members suggested that Schneider check with legal council to determine if steps to protect the WiLS nickname needed to be taken. Barczyk offered to ask legal council at UWM for an unofficial opinion on the matter.

There being no further business, a MOTION to adjourn was made by Huang, seconded by Marini, and passed by voice vote. The meeting adjourned at 1:15 p.m.

Respectfully submitted,
Cynthia D. Lynch, Secretary

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November 7 , 2005

Members Present: Ewa Barczyk, Peter Hamon, Sally Drew, Cynthia Lynch, Joyce Huang, Karen Grothe (for Bendix), Janet White (for Jewell), Marc Boucher, Rita Magno, Mary Lou Zuege, Fred Marini, Mary Blackwelder

Others Present: Patrick Wilkinson, Karen Boehning, Kathy Schneider.

The meeting was called to order at 10:00 a.m. by Chairman Barczyk. A MOTION to approve the Minutes of July 20, 2005 was made by Hamon, seconded by Boucher, and was approved by voice vote.

FINANCIALS

The WiLS Board Finance Committee is scheduled to meet on November 16th. Kathy Schneider presented an Audit Report and Management Letter for Board review. The management letter, prepared by Wipfli LLP, commended WiLS management for its success in containing costs and increasing net assets. Wipfli noted that the increase in net assets for FY2004/05 might be helpful in offsetting future impacts due to changes in the OCLC revenue stream. Schneider reported that, at the suggestion of the auditors, additional oversight of journal entries is being provided by Tom Klement, working 10 to 15 hours per week on deposits, receipts and checks.

Schneider noted that tight control of the expense side of the budget throughout the year was responsible for containment of costs, and Cooperative Purchasing provided most of the excess income for FY04/05, followed by an increase in ILL. Three recommendations were offered to the Board for use of the unexpected increase in WiLS revenue: 1.) add \$10,000 to the WiLS equipment budget for FY05/06; 2.) return \$40,000 to ILL users; 3.) allocate up to \$70,000 to Wisconsin Heritage Online (WHO) and ask the Digital Planning Committee to develop an implementation plan for the funds. A MOTION was made by Hamon, seconded by Zuege, to approve the three expenditures recommended by Schneider. A discussion of the three recommendations ensued. Concerning the equipment budget (#1), Schneider reported that computer upgrades had been postponed and the internal Tech Committee had underspent their budget. Now that money was available, several staff computers should be replaced. Concerning the ILL "giveback" (#2), Schneider recommended crediting the deposit accounts of ILL users, pro-rating the credits based upon actual use. Drew asked how much gain over budget was provided by ILL; Schneider reported that the increase was \$55,000. Drew suggested that more than \$40,000 be allocated to the "giveback." Board members entered into lengthy discussion of the WHO Digital Initiative recommendation (#3). Concern was expressed by Wilkinson that, because the original idea of funding through grant application had been set aside, there is currently no

identifiable income stream for this program and its future direction is unclear. Schneider suggested that offering additional funding might help to “jump start” the program. Members discussed the need for a “champion” – an established organization that would take a leadership role in WHO’s statewide digitization efforts. It was generally agreed that it would be premature to appropriate WiLS monies to the Digital Initiative before the Planning Committee had a chance to develop a plan. The Digital Planning Committee is scheduled to meet in December.

Subsequent to discussion, it was decided to act on Schneider’s three recommendations individually. Hamon withdrew his motion. A MOTION, to add \$10,000 to the WiLS equipment budget line for FY06 was made by Grothe, seconded by White and passed by voice vote. A MOTION to return funds to ILL users in the form of pro-rated credits to their ILL deposit accounts in an increased amount of \$50,000 was made by Drew, seconded by Boucher, and passed by voice vote. Because of the increase in the amount to be returned to ILL users, the funds remaining for Schneider’s third recommendation were reduced to \$60,000. A MOTION, to earmark up to \$60,000 in the WiLS budget for possible use by the Digital Planning Committee once a more specific plan is developed and reviewed was made by Hamon, seconded by Boucher and passed by voice vote.

Schneider presented a financial report on the FY06 budget. Revisions have been made to the income side which will increase due to the Illinois Virtual Reference Project, through which WiLS will offer training. The removal of an accountant position and shifting to contractual accounting services may lower expenses slightly.

REPORTS ON CURRENT INITIATIVES

WHO Digital Initiative. A digital planning conference, held in Ohio prior to the OCLC Members Council meeting, was attended by Wilkinson and Schneider, plus WiLS staff member Debbie Cardinal and Cathy Markweise from Milwaukee Public Library. Attendees at the meeting came away with different perspectives. Schneider reported that her feeling that Wisconsin was far behind other states in digitization efforts was somewhat modified: while some states are ahead, there are many that are not. Wilkinson sees sustainability as a major problem as grants, used for pilot projects, become less available. He also commented that successful programs tend to be headed by an organization for which digitization is a core mission: is there such a “champion” for Wisconsin? Discussion by the Board covered many topics, including: “champions” for WHO; sustainability models other than revenue production; OCLC’s “Core Content” tools; the role of the State Historical Society and possible collaborations with WiLS; creating digital imaging centers based on library type rather than geographic regions; what WHO will do, if given funding, to make itself sustainable; the need for a better definition of audience for the digital collections; the continuing role of major players; the need for a 5-year plan or business plan. The Board will await further reports from the Digital Planning Committee.

OCLC GROUP SERVICES

Schneider reported that Phase 1 is set to begin in January with 61 libraries. The group catalog will be named “BadgerCat,” with eight scoped views of WorldCat (all state libraries, colleges and universities, WAICU, public libraries, technical colleges, University of Wisconsin libraries, a northeast Wisconsin academic consortia called New ERA, and the South Central Library System). There is much interest in creating geographic views of WorldCat (i.e., Southeast Wisconsin). Phase 2 begins in July: there is a fair amount of interest, and one additional library has already signed up. By that date, Schneider hopes to

add any Phase 1 Target Libraries that have not yet joined, plus 30 additional libraries. Phase 3 will be initiated in January 2007.

VIRTUAL REFERENCE

The move to a statewide virtual reference service that is truly 24x7 is progressing toward the January start date. There are 15 public library systems participating in the program. Four academic libraries, Carthage, Viterbo, St. Norbert's and Edgewood, have recently joined. The number of total participating libraries is close to 300. Schneider is collecting information on each of the libraries and Schneider and Drew are working on a website. A full-day kick-off event will take place in Madison on November 18th. LSTA is making funds available to cover the Cooperative Reference (24x7 aspect) part of the service, reducing the annual cost to participate in the program to \$750 for individual libraries and \$1,500 for Public Library Systems.

OCLC MEMBER'S COUNCIL REPORT

Delegates Wilkinson and Boehning attended the October meeting, which was heavily focused on global issues. Notes from the meeting should be posted on OCLC's web site soon. OCLC has made it a priority to sell their services globally, because markets in Europe, Asia and South America offer areas for real growth. There was some discussion of a possible Member's Council meeting outside the U.S. in the future. A draft of a new study, "Perceptions of Libraries & Information Resources," was presented at the OCLC meeting; the study was prepared by the Harris Corporation with data gathered via an online survey. There was much discussion of OCLC's relationship with networks versus individual libraries during the course of the October meeting.

WILS DIRECTOR'S REPORT

Schneider reported that she is serving as a member of a negotiating team formed by network members of OCLC. The group was formed in response to OCLC's rewrite of the Network Manual. Formerly, the manual (written in the late 1980's) served as a guideline that outlined areas of organizational and operational responsibility. The new Manual is more of a labor agreement than a representation of the relationship between OCLC and the networks, and some language in the Manual suggests that OCLC has the power to sever its relationship with a network at any time. The negotiating team is suggesting revisions to OCLC and a meeting should take place shortly. Schneider assumes that OCLC wants the issue resolved before the next Members Council meeting in February. She will keep the Board posted on new developments.

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OTHER BUSINESS

DLTCL New ILL Guidelines. Drew distributed draft "Wisconsin Interlibrary Loan Guidelines." This first revision since 1996 was compiled to provide a common understanding and give libraries guidance in how to participate in the state ILL system. The document is a set of guidelines rather than rules, and is intended for use outside of public library systems, where agreements are already in place. Of special interest: a list of situations for which ILL should not be used (best sellers, new media, materials owned but in use, materials on order, and prepublication titles); descriptions of the many players involved in ILL; an extended section describing "best practices" for library staff; and sections on ILL law and copyright compliance. Members were asked to forward any comments on the document by November 11th. Final guidelines will be completed upon the endorsement of the Council for Network & Library Development.

NEXT MEETING: Schneider will contact members with proposed dates for the next meeting, which should be scheduled for early April. There being no further business, a MOTION to adjourn was made by Boucher, seconded by Hamon, and passed by voice vote. The meeting adjourned at 1:25 p.m.

Respectfully submitted,
Cynthia D. Lynch, Secretary

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July 20, 2005

Members Present: Barczyk, Hamon, Drew, Lynch, Huang, Bendix, White (for Jewell)

Others Present: Wilkinson, Boehning, Schneider.

The meeting was called to order at 1:25 p.m. by Chair Ewa Barczyk. Members introduced themselves and the group welcomed new member Rita Magno, representing independent college libraries, to the Board.

A MOTION to approve the minutes of April 6, 2005 was made by Huang, seconded by Hamon. The motion passed unanimously by voice vote.

WiLS FY05/06 BUDGET. Schneider noted a correction to the budget proposal dated 6/23/05: in Note 1 on Page 3, the change in FTE includes a shifting in staff positions rather than only representing an increase in student assistants.

Schneider reported that Peter Hamon will be retiring from his position at the South Central Library System at the end of this year and can therefore no longer serve as an Alternate Delegate on the OCLC Members Council. Because our two representatives (Wilkinson and Boehning) have consistently been available to attend the OCLC meetings, Schneider suggested that the Board consider not filling his position during FY05/06. Sending two members to OCLC meetings rather than three will save \$1,500 in the coming fiscal year. A MOTION, to not fill the OCLC Members Council Alternate Delegate position vacated due to Hamon's retirement was made by Hamon, seconded by Huang, and approved unanimously by voice vote. With this change, the new dollar amount for total expenses in the WiLS budget for FY05/06 will be \$7,496,495.

The Board discussed the budget proposal, which had been reviewed by the newly formed Finance Committee. After questions were raised and answered, a MOTION to approve the budget as amended with the \$1,500 reduction in expenses was made by Hamon, seconded by Bendix and unanimously approved by voice vote.

OCLC GROUP SERVICES INITIATIVE: Schneider and the Board discussed the proposed WiLS OCLC Group Services Initiative and its implementation. Revised pricing was obtained during a meeting with OCLC in May. Board members requested a clarification regarding eligibility for possible participation in the program: Schneider explained that libraries with unlimited FirstSearch access, willing to commit to the program for three years, would be eligible. Currently, there are 71 libraries with unlimited FirstSearch access, representing all types of libraries in the state; it is not known at this time how

many of the 71 would agree to participate initially. There was discussion of what was meant by "unlimited interlibrary loan" and the apparently recent changes that OCLC had made to their definition of "unlimited." Due to the complexity of implementing group services for Wisconsin, it was generally agreed that the best way to move forward was to establish a Phase I pilot project as soon as possible, then develop more specific information regarding cost for services during the initial phase. As decided earlier by the Board, WiLS will subsidize Group Services so participants can sign on to the program without incurring additional costs until July 2007. Because libraries choose from a variety of OCLC services, custom quotes for individual libraries will be needed. Board members discussed setting limits on WiLS surcharges for the upcoming 3-year period. A MOTION, to limit the maximum WiLS surcharge for FY06/07 to a cap of 13.3%, and for FY07/08 to a cap of 14.0% was made by Hamon, seconded by White, and passed by voice vote with one abstention.

The Board agreed that a direct comparison between WiLS plans for statewide service and the similar program developed by Illinois (with a high level of state subsidy) is becoming confusing. Rather than focusing solely on the Illinois model, future presentations describing WiLS OCLC Group Service will include information from other states or a hypothetical Wisconsin program. A list of "next steps" was reviewed.

Schneider reported that more high school libraries had elected to purchase PromptCat and CatExpress services. There seems to be potential in showcasing these services to school libraries; in the future, the Board may wish to consider hiring a consultant to explore ways of encouraging more participation from high school libraries.

There being no additional business, a MOTION to adjourn was made by Drew, seconded by Huang, and passed by unanimous voice vote. The meeting adjourned at 3:00 p.m.

Respectfully submitted,
Cynthia D. Lynch, Secretary

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