

26 April 2010

TO: NGTS Financial Infrastructure Task Group
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FROM: Next Generation Technical Services Executive Team
(Laine Farley, Martha Hruska, Bruce Miller (chair), Brian Schottlaender, Ginny Steel)

CC: Next Generation Technical Services Steering Team
(Armanda Barone, Jim Dooley, Martha Hruska (chair), Carol Hughes and Emily Stambaugh (liaisons to Financial Infrastructure Task Group))

RE: Charge to improve financial infrastructure

*Next Generation Technical Services – Next Steps*¹, endorsed by the University Librarians, 24 February 2010, specified the following action:

Develop a financial infrastructure that facilitates intercampus business transactions in support of collaborative and systemwide processes and purchases.

Background

Business and financial policies and procedures on each UC campus and at UCOP were repeatedly identified in the NGTS Phase 1 reports as major barriers that often prevent collaborative and systemwide library activities. Although the problem manifests in the libraries, the fundamental issue is based in campus and UCOP business operations.

There are many examples. The recharge process is an item-based transaction model that doesn't scale well. We know how to pool and manage resources via CDL in support of shared licenses, but we lack procedures for other types of activities such as systemwide collection-based tools and services. Intercampus transfers can be difficult and typically require vendor invoices with intricate documentation. Collaborative web-archiving projects are already being hampered by the difficulties in settling on a model to cover the joint storage costs. Online purchase of low-cost information resources (e.g., a single DVD from an Internet vendor) via ProCard often requires personnel and troubleshooting costs that far exceed the actual cost of the item. Some online vendors (e.g., ISPs) will do business only via credit card, but some campus policies mandate a paper invoice process with the end result that valuable services and needed information resources simply cannot be acquired.

The current UC libraries operations have a solid history of collaborative acquisitions, but in the process we have inadvertently developed a culture of reimbursement that has become an impediment to systemwide holistic thinking. The formal Resource Sharing fund managed by CDL has become static and is no longer a resource for new creative collaboration. Expansion of collaborative models that have been economically sound (purchase of shared print, the Shared Cataloging Program, and other emerging ideas) is stymied by cumbersome transactional procedures for the transfer and management of funds among multiple UC libraries.

¹ <http://libraries.universityofcalifornia.edu/about/uls/ngts/docs/NGTSNextSteps100216rev100224.pdf>

In spite of these constraints, the UC libraries have successfully shared financial resources, information resources, staff, and related processes. However, we must reduce the associated effort to initiate and manage new collaborative efforts. We need effective processes for pooling and sharing funds that have been allocated to individual campus libraries. We need to streamline the financial processes associated with creating, managing, and delivering the University of California Library Collection.² We would benefit from standardized partnership terms when we pool funds. We would benefit from more automatic means of transferring funds between campus library systems and campus financial management systems. We have begun to see more and more opportunity to share collections and processes to achieve better economies of scale and to provide access to more content and expanded services. Can we mitigate and perhaps eliminate barriers that stand in the way of innovation?

You are charged to:

- Identify business models that could be used to facilitate and streamline intercampus business transactions in support of collaborative and systemwide processes and purchases, including collections, tools, staff, and services. Specify pros and cons for each of these business models.
- Identify existing policies and procedures that would pose barriers to the implementation of these business models. Specify which of those policies and procedures might be changed in ways that would reduce or eliminate the barriers. Specify which policies and procedures would be exceptionally difficult to change or would produce only minimal benefit if they were changed.
- Develop a general framework for sharing that could be used as a model for new initiatives. The goal is to have a “toolkit” that can be used to effectively and efficiently facilitate collaboration and resource sharing.
- Recommend actions, remedies, and timelines that that would be most productive.

Consultation

You are empowered to consult widely, both within and outside the UC libraries. You can enlist assistance throughout the UC libraries (with approval from supervisors as needed). The UC AULs for administrative services and for collections and technical services have expertise that will be especially useful.

Timeline

Provide a progress report to the NGTS Steering Team by 31 July 2010.

² http://libraries.universityofcalifornia.edu/cdc/uc_collection_concept_paper_endorsed_ULs_2009.08.13.pdf