

INTERIM REPORT: FINANCIAL INFRASTRUCTURE TASK GROUP, NEXT GENERATION TECHNICAL SERVICES  
July 2, 2010

The Financial Infrastructure Task Group is exploring flows in support of both purchasing and shared personnel.

I. Purchasing Workflows

Initially, the Task Group gathered some data to get a sense of the scope of inter-campus financial activity in support of technical services that is currently going on. Tony Harvell gathered data on campus CDL coinvestments as part of each campus library's collections budget to help frame the magnitude of the issue (the numbers ranged from 31.5% at UCLA to 92.9% at UCSF). Because some on the group were less familiar with the recharge process than others, he prepared an overview and flow chart of the many steps involved in executing a recharge. Part of the delay is often at the campus end, so he surveyed recharge contacts at most of the campuses to find out what happens at their end. Though most campuses handle these quickly, with minimal review, others have a complex review process that may take as long as 2 to 3 weeks to secure the needed approvals. This does point to the fact that campuses need to carefully look at their own internal practices to see where it can be streamlined.

The CDL Recharge process seems to be the most immediate pressure point, so the group brainstormed several ideas that might serve as alternatives – at least in the short term until more transformative solutions can be implemented. Members of the group were charged with exploring both the policy and practical issues surrounding these ideas and report back to the group. The following ideas have surfaced so far:

- A) Rather than emailing recharges, post them on a central site where campuses can download them and act on them – or perhaps have a web form interface that accomplishes this activity.
- B) Use campus procurement cards to pay CDL vendors directly – circumventing the entire recharge process.
- C) Use a “deposit account” method (currently being used with UC Merced) to allow campuses to deposit money, process only 2 or 3 recharges a year (for reconciliation at end of fiscal year).
- D) Pre-assign campus account strings to CDL resources so that the recharges can be processed automatically by CDL Acquisitions, bypassing the “back and forth” with the campuses. This practice is currently being done between CDL Oakland and CDL Acquisitions

II. Shared Personnel

Looking at larger technical services-related issues, the group has also begun to identify other areas where the financial infrastructure needs to be refined and process and policies clarified and standardized. Currently employees on campuses doing system-wide work are funded in different ways and are being handled differently at the campus level. This has raised both policy and funding questions for the campuses in managing these employees. As we move to more systemwide-based activity, these positions will become more common. How can they be funded in ways that are equitable and that create terms and conditions of employment that are consistent with their colleagues at the host institution?

Joan Starr has contacted two individuals at UCOP who we believe will be particularly helpful to us as we do our work to look at even more transformational ideas of how to manage financial resources in an

“enterprise- based” environment . Peggy Arrivas, Associate Vice President and Systemwide Controller, UCOP will speak to the group on their July 2 phone call. The group might also invite Mike Clune, Director of -Systemwide Budget Office, to speak to them about the UCOP Funding Streams Project to simplify the way funds flow across the system and support the Office of the President and other central activities.

### III. Other concerns

Early in our discussions, the group acknowledged that although we can make incremental changes to improve processes and recommend best practices, true transformational change rests on the ability of the University of California to really look at how its libraries are funded, how those funds are distributed to the campus and then redistributed at the campus level. For example, if it can be demonstrated that there is a certain “Core UC Libraries Collection” (both print and electronic) that most of us are acquiring, processing, and paying for - e.g. the Tier 1 CDL resources, it might be best done in a centralized location to eliminate redundancies at the campus level. As such it would be paid from centralized funds assessed up front rather than being collected from a campus through a cumbersome recharge process. Campus -specific funds for libraries would focus on those collections and activities that can best be done at that campus. With a CDC Shared Monographs Approval Plan, the cost of the collections, the shelf-ready processing costs and system-wide staff costs could be paid from a central pool, but the collections and staff could be based at campuses or the RLFs. This would eliminate redundant efforts to duplicate the payment activities and staff across many locations. As we move our discussions to this higher level view, we hope to be able to articulate what kinds of policy/process changes might be recommended, identify the obstacles to them, recommend remedies and develop a timeline.

Tony Harvell/Helen Henry for the Task Group

#### Members:

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