

ILS/Technology budget changes and contingency computation September 2010

In 2010, the LINK consortium that managed the LINKcat integrated library system (ILS) disbanded, and LINKcat became an SCLS system service. At the same time, SCLS began the process of reorganizing technology services, separating them from ILS services, and preparing for a new cost formula model that would make technical support fees more equitable across all SCLS libraries.

These organizational and governance changes have resulted in changes to the SCLS budget. The most significant change is the separation of technology and ILS accounts, as much as possible. A new section of the budget, "ILS/Technology Services," replaces all previous budget accounts related to these services.

It is important to note that while the accounts have been changed and rearranged, SCLS is contributing the same amount of funds to technology and ILS services as was committed in 2010. What follows is an explanation of how the amount contributed in 2010 was determined, where these funds appear in the 2011 budget, and how the ILS/technology contingency amount was determined.

2010 SCLS technology/ILS monetary contributions

SCLS contributed \$124,179 to the LINK budget, as shown on the LINK budget for 2010.

SCLS also contributed \$209,068 for other technology-related costs:

- \$180,022 for salaries and benefits for non-Automation technology staff
- \$28,000 for internet service costs
- \$1,046 for cell phone costs for PC technician.

The total amount SCLS contributed in 2010 for technology/ILS services was \$333,247.

2011 SCLS technology/ILS monetary contributions

In the 2010 LINK budget, \$78,902 was paid by LINK funds for items that, now that the staff has been combined in one space and one organizational structure, would logically be paid by SCLS:

- \$34,350 for space rental
- \$22,000 in training and travel
- \$16,000 in office equipment and software
- \$6,552 for telephone

In addition, LINK paid \$19,699 in overhead charges to SCLS for a variety of services. SCLS will still provide these services, but they will not be paid by library funds, so this cost will be paid as part of the SCLS contribution to ILS and technology services.

The total amount allocated to these items previously included in the LINK budget is \$98,601.

SCLS will contribute an additional \$234,646 (the difference between the amount allocated in 2010 and the items formerly in the LINK budget now paid by SCLS) to offset ILS/technology service costs, bringing the 2011 total SCLS contribution to \$333,247 (the same as the 2010 contribution).

How the ILS/technology contingency amount was determined.

The ILS/technology contingency amount is determined by taking all income for ILS/technology and subtracting all expenses for ILS/technology.

The ILS/technology income includes:

- ILS/tech payments: \$1,771,674
- Estimated ILS/TECH carryover from 2010: \$101,897
- SCLS contribution (as determined above): \$234,646
- LSTA for adding Fitchburg*: \$20,000

The total amount of income is \$2,128,217.

The ILS/technology expenses include:

- Budget expenses (accounts 5530 – 5580) : \$1,677,757
- ILS/technology employee benefits: \$330,757
- Network expenses for Fitchburg equipment: \$5500

The total amount of expenses is \$2,014,014.

The remainder of the income after subtracting expenses is the contingency, which is \$114,203.

*While the LSTA application includes \$15,000 for Rio, Rio has not yet signed the ILS agreement so this income and associated expenses are not being included in the calculation.