

PALINET

ANNUAL REPORT FY 2004/05

FY 2004/05 was a year of continued growth for PALINET. In our 69th year of service, the cooperative continued to strengthen partnerships with, and expand products and services available to, libraries in the mid-Atlantic region.

Please read on for a synopsis of FY 2004/05 at PALINET!

Membership

We were pleased to welcome the following 17 libraries joining PALINET in FY 2004/05, reflecting the continued diversity of PALINET membership:

- ◆ ACLCP - Associated College Libraries of Central PA
- ◆ Bernards Township Library (NJ)
- ◆ Evangelical School of Theology (PA)
- ◆ Glenelg Country School Library (MD)
- ◆ International Institute for Restorative Practices (PA)
- ◆ Jackson Kelly, LLP (WV)
- ◆ Keystone Library Network (PA)
- ◆ Mathematica Policy Research, Inc. (NJ)
- ◆ Philadelphia College of Osteopathic Medicine, Georgia Campus (GA)
- ◆ Point Park University (PA)
- ◆ Presbyterian Health Sciences Library (PA)
- ◆ Rahway Public Library (NJ)
- ◆ Rutgers University School of Law (NJ)
- ◆ Spilman Thomas & Battle, LLP (WV)
- ◆ University of Pennsylvania Medical Center (PA)
- ◆ Westfield Memorial Library (NJ)
- ◆ York Technical Institute (PA)

As of June 30, 2005, PALINET's membership was 589; many took advantage of various membership programs and services:

- ◆ 420 institutions used one or more OCLC services
- ◆ 340 institutions sent staff to one or more Education Programs
- ◆ 317 institutions took advantage of Cooperative Purchasing services

Membership by Location

Pennsylvania has the largest representation in the region, followed by New Jersey, Maryland, West Virginia, and Delaware:

- ◆ Pennsylvania 314
- ◆ New Jersey 152
- ◆ Maryland 48
- ◆ West Virginia 31
- ◆ Delaware 29
- ◆ Other* 15

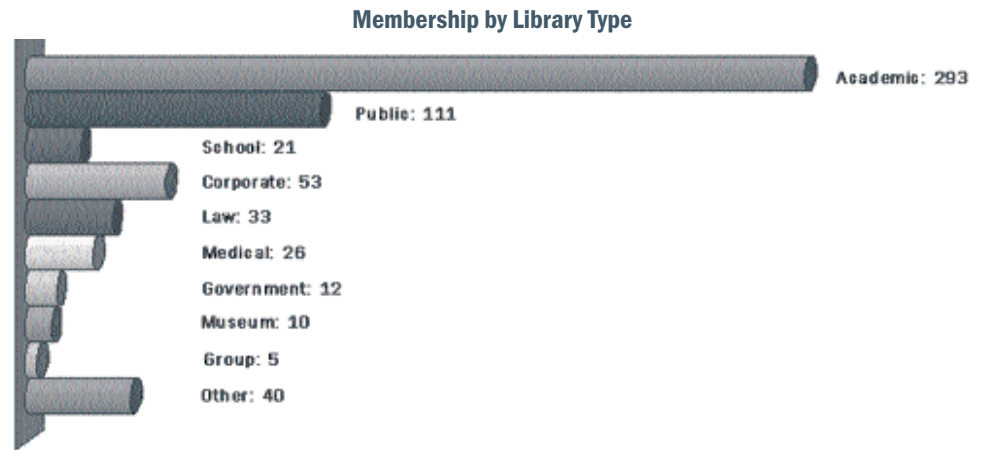
**Includes members in England, Egypt, Georgia, Massachusetts, New York, North Carolina, Virginia, and Washington, DC.*



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Philadelphia, PA 19104-2801
215.382.7031 (phone)
800.233.3401 (member services)
215.382.0022 (fax)
www.palinet.org

Membership by Library Type

As shown in this chart, the largest segment continues to be academic; followed by special libraries of all types, including corporate, government, law, medical, and museums; then public libraries; and school libraries.



"...We are very impressed with the level of service PALINET has been providing."

"I feel all the work I put into selling PALINET membership to YTI has been vindicated."

Thomas S. Fluharty
 Director of Learning Resources
 York Technical Institute
 York, PA

"...thank you so much for your help, everyone at PALINET has been terrific."

Patricia Murray
 Collection Development
 Coordinator
 Weiner Library
 Fairleigh Dickinson University
 Teaneck, NJ

FY 2004/05 Highlights

PALINET Strategic Plan 2005 – 2008

PALINET's Strategic Plan 2005-2008 was developed and approved in FY 2004/05. Members, Trustees, staff, and library leaders from all over the country were involved in its development. The combined vision and energy has helped to set PALINET's course for the future, as exemplified by the Mission Statement (below). Progress towards these goals is already well underway!

Mission Statement

PALINET furthers the success of libraries and cultural organizations in serving the evolving needs of their communities by:

- ◆ Leveraging the power of collaboration and technology
- ◆ Delivering high quality continuing education
- ◆ Guiding members' discovery of innovative and cost-effective solutions
- ◆ Providing leadership that enables members to navigate the diverse information landscape

Other Highlights:

Saving and Promoting Your Collection: Best Practices in Preservation & Digitization

Ninety people attended our first-ever preservation and digitization conference held in Grantville, PA on April 26-28, 2005.

The Power of Group Purchasing

We led the consolidation of the PALINET, PALCI, and VALE group purchase of ABC-CLIO, resulting in lower prices for all groups. We also developed a cross-platform approach to the MLA group purchase, enabling members to achieve discounts while using their preferred platform for access.

My PALINET Account

My PALINET Account debuted on our website, enabling libraries to review financial statements and invoices online. We were also the first network to develop a detailed view of OCLC activity.

PALINET Support Desk

We created the PALINET Support Desk to provide rapid centralized response for members' support questions.

Migration to OCLC Connexion and WorldCat Resource Sharing

We successfully supported members' migration to OCLC Connexion service and WorldCat Resource Sharing through training classes, users group meetings, and blogs. The PALINET ILL blog (our first) was initially created to assist in the WorldCat Resource Sharing transition.

Library Technology Development

The new position of Library Technology Development Consultant was created to assist members with technology implementation and investigation of options like blogs, RSS feeds, and podcasts.

Network Education Exchange

One of the first three networks to initiate the Network Education Exchange, we can now offer members access to other networks' online workshops.

Consultants to Maryland Public Library Consortium

For the second year in a row, we served as consultants to the Maryland Public Library Consortium in negotiating electronic resource discounts.

PALINET Regional Spring Member Meeting

Hosted by the PALINET Board of Trustees and West Virginia University, our May 11, 2005, Spring Member Meeting was held in Morgantown, WV and attended by 100 people.

Cooperative Purchasing



With 70-plus vendors – practically the largest number of business partners of any consortium in the United States – PALINET's Cooperative Purchasing Program is an important one-stop shopping growth area offering myriad resources to member institutions.

PALINET continues to expand the Program with innovative services, such as these business partners added during FY 2004/05:

- ◆ Alexander Street Press (Electronic Resources)
- ◆ Alternative Work Environments (Technology Products and Consulting)
- ◆ Barcode Discount (Barcode Products)
- ◆ BioOne (eJournals)
- ◆ Centurion Technologies (Computer Software)
- ◆ ContentScan (Electronic Resources)
- ◆ Copyright Clearance Center (Resource Sharing)
- ◆ Duke University Press (eJournals)
- ◆ LSSI (Conversion Services)
- ◆ MyiLibrary (eBooks)
- ◆ Naxos Digital Services (Electronic Resources)
- ◆ ProQuest (Electronic Resources)
- ◆ Springer (eJournals)
- ◆ S-T Imaging (Digitization Hardware)
- ◆ Taylor & Francis (Electronic Resources)

Member Savings

To demonstrate the return on member investment in hard numbers, the following list details the combined member savings on purchases from PALINET's top 12 business partners during FY 2004/05.

Lexis/Nexis	\$390,677
EBSCO .....	.83,377
Serials Solutions .....	.80,781
Oxford University Press .....	.74,175
Project MUSE .....	.72,511
ABC-CLIO .....	.69,281
H.W. Wilson .....	.56,961
Britannica Online .....	.52,546
Chemical Abstracts Service .....	.44,175
Ovid/SilverPlatter .....	.35,006
Thompson Gale .....	.32,045
Nature Publishing Group .....	.31,123
Total Savings .....	.\$1,022,658

That's over \$1 million dollars in savings realized by PALINET member libraries, just among our top vendors. By continuing to utilize the Cooperative Purchasing Program, members have convenient single-source billing through PALINET, while strengthening PALINET's position in negotiating great deals for even better member discounts!

Education Program

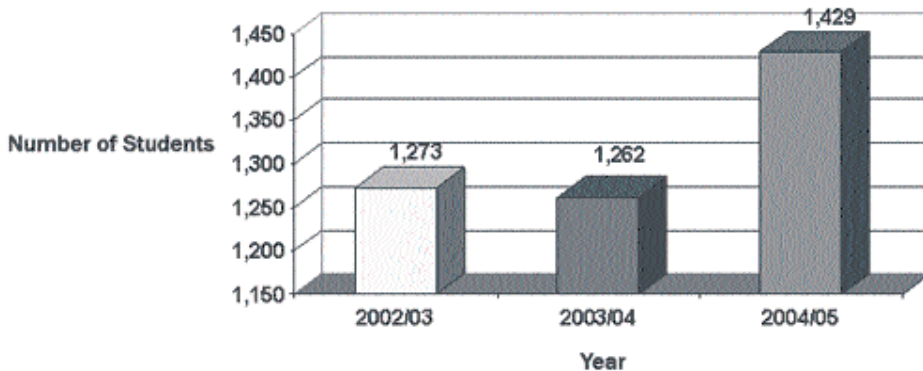
Members continue to look to PALINET as a primary source for continuing education. Courses are provided through in-person, hands-on workshops throughout the region and via distance learning, meeting the need for the latest information, technology, and skills. Our extensive program provides staff of both member and nonmember institutions with a balance of hands-on training, continuing education opportunities, and general staff development.

Workshop Attendance

In FY 2004/05, 1,429 people attended PALINET Education Programs — a 13 percent increase in attendance over FY 2003/04. The emphasis was on OCLC Connexion and Resource Sharing, with an increase in library management and applications courses. There was also a significant increase in distance learning attendance.

Popular partnerships with Penn State Great Valley, Serials Cataloging Cooperative Training Program (SCCTP), and LITA also broadened our curriculum with topics as diverse as Library Instructional Design and Library Leadership.

Workshop Attendance



Workshops Conducted

A total of 161 workshops were conducted over the course of the year, a 15 percent increase over FY 2003/04 (136 workshops), and a 20 percent increase over FY 2002/03 (129 workshops).

OCLC Services

PALINET members continue to utilize the products and services of the OCLC Online Computer Library Center, Inc. (OCLC) for cataloging, interlibrary loan, union listing, collection development, bibliographic verification, and reference searching.

OCLC Highlights

- ◆ The PALINET Mid-Atlantic ILLiad Users List was established to serve as an avenue of discussion for members using OCLC ILLiad.
- ◆ A record number of members subscribed to fixed-fee or subscription pricing (the latter being a new pricing option in FY 2004/05) for OCLC Cataloging, and to subscription pricing for OCLC WorldCat Resource Sharing (also a new FY 2004/05 pricing option).
- ◆ OCLC continued to enhance its Digital Collections and Preservation Services offerings, which PALINET members utilized more and more — particularly CONTENTdm.
- ◆ Open WorldCat was introduced as an “official service” after a successful pilot program, making member library holding visible on the web.

“This was my first PALINET online workshop, and it was excellent! In fact, I used the material in a workshop the following week and the attendees were as amazed as I was with what Google has to offer.

Thanks a Google!”

*[Course Title:
Delving Deeply: Google Like
You've Never Known]*

Theresa L. Wilson
*Instructional Technology
Specialist
WebCT Administrator
Pasquerilla Library
Saint Francis University
Loretto, PA*

PALINET Financial Report



PALINET's financial overview for FY 2004/05 is as follows:

- ◆ Total Revenue \$21,330,503
- ◆ Net Operating Revenue 2,346,625
- ◆ PALINET Net Asset Funds 1,216,864

For the fiscal year ending June 30, 2005, PALINET handled over \$21 million in products and services.

Operating Revenue

Membership & Support Fees remain the major source of PALINET's operating income. Of this, 77 percent was for OCLC Services support fees. Cooperative Purchasing Program revenues are derived from the margin of sales to the members, less the cost of the services or goods sold. OCLC Commissions are revenue generated from the sale of OCLC commissionable products; FirstSearch is PALINET's primary OCLC commissionable product. Education Program revenue is comprised of registration fees from workshops, conferences, and consulting. Finally, Investment Income comes from the member and PALINET investment accounts that are handled through Wachovia Securities.

The first four entries in the list below total the Net Operating Revenue (\$2,346,625); investment revenue brings the total net revenue to slightly over \$2.6 million.

Membership & Support Fees . . .	\$1,126,868	Investment Income	\$312,881
Cooperative Purchasing	661,050		
OCLC Commissions	429,246		
Education & Consulting	129,461		
Total	\$2,346,625		

Operating Expenses

Remaining the largest expenditure in operating expenses, Personnel is made up of employee salaries, benefits (including retirement), and employer payroll taxes. Office Operations are office expenses related to running PALINET programs and services. Occupancy refers to rent for 3000 Market Street in Philadelphia. Travel comprises travel expenses for PALINET Staff, Board, and various committees. Depreciation is a non-cash expense that shows the reduction in value of fixed assets such as equipment and furniture. Professional Services is made up of audit, legal, and consulting fees.

Contribution to Net Assets is the remaining unallocated net revenue accumulated each year.

Personnel	\$1,563,874	Contribution to Net Assets	\$291,774
Office Operations	331,861		
Occupancy	242,481		
Travel	114,338		
Depreciation	80,039		
Professional Services	35,139		
Total	\$2,367,732		

Net Asset Funds

Net Asset Funds are set up to accomplish specific goals; for example, the Net Assets - Unallocated is set aside for unexpected needs or revenue shortfalls. The Program Development Fund was created to provide for new initiatives without draining the operating budget. PALINET also avoids dips and spikes in the annual budget through the Equipment/Software Replacement Fund. Finally, the Staff Development Fund provides for the training and development needs for staff, which can vary greatly across fiscal years.

Net Assets - Unallocated	\$1,072,074
Program Development Fund	85,086
Equipment/Software Replacement Fund . . .	36,178
Staff Development Fund	23,526
Total	\$1,216,864

In conclusion, PALINET continues to maintain a strong financial position and to move forward in developing innovative programs and services for member libraries.

"I did go to the new [Cooperative Purchasing] website and I was very impressed!"

It is much easier to use than before, and I really liked the quote form."

Sandra A. Balough
Associate Librarian for
Collections and Access Services
Pasquerilla Library
Saint Francis University
Loretto, PA

Board of Trustees 2005

Officers

- ◆ Jonelle Prether Darr, Cumberland County Library System (PA) — President
- ◆ Barbara Winters, Marshall University (WV) — Vice-President
- ◆ Bonnie Lawlor, NFAIS — Secretary/Treasurer

Trustees

- ◆ Steven J. Bell, Philadelphia University (PA)
- ◆ Brigid Burke, Morris County Office of Library & Information Systems (NJ)
- ◆ Caryn Carr, State Library of Pennsylvania
- ◆ Cynthia Czesak, Paterson Public Library (NJ)
- ◆ John J. Doyle, Project Management Institute
- ◆ Carla Hayden, Enoch Pratt Free Library (MD)
- ◆ Erika C. Linke, Carnegie Mellon University (PA)
- ◆ Joseph Lucia, Villanova University (PA)
- ◆ Debbie Malone, DeSales University (PA)
- ◆ Rush G. Miller, University of Pittsburgh (PA)
- ◆ Birte Nebeker, Raritan Valley Community College (NJ)
- ◆ Carlen Ruschoff, University of Maryland
- ◆ Gregg A. Silvis, University of Delaware
- ◆ Catherine C. Wilt, PALINET

OCLC Members Council

PALINET Delegates

- ◆ David Belanger, Delaware County Library System (PA)
- ◆ Charles E. Kratz, University of Scranton (PA) — President
- ◆ Gladys S. Maharam, Carnegie Library of Pittsburgh (PA)
- ◆ Gregg Silvis, University of Delaware
- ◆ Pamela Snelson, Franklin & Marshall College (PA)

PALINET Alternates

- ◆ John Hurley, Woodbridge Public Library (NJ)
- ◆ Charles Lowry, University of Maryland
- ◆ Alice Lubrecht, Harrisburg Area Community College (PA)
- ◆ Frances O'Brien, West Virginia University
- ◆ Michele Reid, McDaniel College (MD)

Member Advisory Groups

Preservation Advisory Group

- ◆ Kathleen Bledsoe
- ◆ Brigid Burke
- ◆ P.J. Grier
- ◆ Byron Holdiman
- ◆ Sue Kellerman
- ◆ Mary Mallery
- ◆ Fran Melnik
- ◆ Joe Mocnik
- ◆ Jane Smith Stewart
- ◆ Charlotte Tancin

Education Program Advisory Group

- ◆ Carolyn Blatchley
- ◆ Barbara Blummer
- ◆ Jackie Corinth
- ◆ Barbara Doll
- ◆ Katherine Furlong
- ◆ Kathy Hale
- ◆ Melissa Harvey
- ◆ Tracy L. Hull
- ◆ Debbie Malone
- ◆ Chris Snyder

Electronic Resources Advisory Group

- ◆ Steven Bell
- ◆ Ruth Byers
- ◆ Kelly Cannon
- ◆ Betty Day
- ◆ Lou Ann Di Nallo
- ◆ Zhong Geng
- ◆ Vicki Kline
- ◆ Deborah Lenares
- ◆ Janice Muller
- ◆ Terry Plummer
- ◆ Eleanor Randall
- ◆ Brian Schoolar
- ◆ Scott Silverman
- ◆ Carmel Yurochko

Print Repository Task Force

- ◆ George Friedline
- ◆ Sheila Jackson
- ◆ Charles Lowry
- ◆ Joseph Lucia
- ◆ Howard McGinn
- ◆ Jim Robertson
- ◆ Laverna Saunders
- ◆ Peggy Seiden
- ◆ Richard Werking
- ◆ Sharon Wiles-Young

“I learn more from these sessions than anywhere else.”

[Course Title: Union Listing for Current Users: Learning the New Interface]

Kirk Doran

*Technical Services Librarian
Library & Academic
Technology Department
Library and Information
Services
Dickinson College
Carlisle, PA*

“Another great class – good explanations to a variety of tech topics without a lot of tech jargon. Well done.”

[Course Title: Pulling the Curtain: Emerging Technologies for Library Managers]

Christine Lewis

*Assistant Professor/Librarian II
Marshall University
Huntington, WV*