

ILS Contingency Fee Reduction Proposal for ILS Committee

This is a reserve for development costs beyond the budgeted amount in ILS Contracted Development and for startup fees and unexpected costs. Recent expenditures from this account have included development costs for the codebase fusion & SIP setup. The ILS Contingency carryover amount history:

- 2023 \$393,023.61 – still waiting for a payment from Bibliotheca
- 2022 \$400,881 – increased due to a prepayment refund from OCLC
- 2021 \$383,824 – decreased due to setup fees for Solus mobile app
- 2020 \$431,974 -- \$65,610 was spent on GetIt improvements, sorting checkout history, email receipts, Rest API for the Solus Ap, Discovery layer tabs and password reset development
- 2019 \$420,963 -- \$14,552 was spent on development projects (GetIt credit memos, GetIt screen display and SIP2 set for Envisionware)
- 2018 \$410,162 -- there were no expenditures from this account
- 2017 \$478,650 -- expenditures were for a Boopsie data extract, SIP2 work and an installment of the codebase fusion development work
- 2016 \$502,964 -- LSTA covered \$16,277 of the development costs
- 2015 \$530,750 -- \$25,332 was spent on development and SIP setup for MyPC and Lynda.com
- 2014 \$45,291 was spent on development (offset by payments from Bibliotheca and LSTA)

Development: Since 2015, this account has declined at an average of \$15,303 per year. We have had gaps in funding due to the codebase fusion work and, recently, due to the length of time it has taken to complete 7.2.

This fund has no current plan for replenishment. In 2023 we budgeted \$5,000 for development, but in the past we have budgeted as much as \$45,000 per year.

We currently have \$75,000 encumbered for development that will be delivered with 7.2. There are other development projects in the queue targeted for 7.4 that are not encumbered.

Saving for future migration: Another potential use for this fund is to finance migration costs should we migrate to a new ILS. In 2017, Polaris quoted us \$120,000 for Implementation, training and Data Load. SirsiDynix would have been \$310,030, but then discounted it by \$229,530 to \$80,500. There would also possibly be fees from LibLime to extract the data. It would be prudent to reserve \$250,000 for a future migration.

Status: Planned development spending by the end of 2023, would put this account at @ \$325,000.

- This workgroup could suggest a spending cap for new development projects for 2024 (and beyond) to slow the decline to the \$250,000 mark. This would mean additional prioritization of development projects.
- An increase in this budget could be recommended, which would result in an increase in fees.
- Libraries that would like a particular development project could contribute toward the cost.