

Fiscal Year 2003
Annual Report of the
Federal Library and Information Center Committee

Susan M. Tarr, Executive Director

Highlights of the Year

During Fiscal Year 2003, the Federal Library and Information Center Committee (FLICC) continued to carry out its mission “to foster excellence in federal library and information services through interagency cooperation and to provide guidance and direction for FEDLINK.”

FLICC's annual information policy forum, “Enterprise Content Management: Responsibility for the “I” in IT,” focused on the evolving policy framework for content management in federal agencies. The executive keynote speaker for the event was Stephen Arnold of Arnold Information Inc., who was followed by a morning panel discussion on the ideal "content model" for federal agencies with commentary from Chris Niedermeyer, U.S. Department of Agriculture, on the federal perspective on enterprise-wide architecture; Stephen Abram, IHS Group, on the Canadian government's content model; and Brooke Dickson, Office of Management and Budget, on federal, state and local cooperation. Rep. William Lacy Clay (D-Missouri) began the afternoon session with the congressional keynote address which was followed by another panel discussion on how libraries contribute to enterprise content management with presentations on corporate libraries by Eugenia Prime, Hewlett Packard; federal libraries by Peter Young, National Agricultural Library; and state/local governments by Marlys Rudeen, Find-It! Washington. The final afternoon presentation looked at enterprise content management with Dana Hallman, Web Content Management Project Leader, Office of Citizen Services, General Services Administration (GSA). Donna Scheeder, Congressional Research Service, then offered her perspective and summary of the day to conclude the forum.

The FLICC working groups completed an ambitious agenda in Fiscal Year 2003: selected FLICC awards recipients for 2002 and offered the fifth annual FLICC Awards to recognize the innovative ways federal libraries, librarians and library technicians fulfill the information demands of government, business, scholarly communities and the American public; assisted the new Department of Homeland Security in organizing information services for their staff of 180,000 from multiple agencies; implemented a management education series for current and potential federal library managers; and addressed issues on disaster planning and recovery, cataloging, professional competencies, outsourcing, metrics and performance evaluation, benchmarking, e-government legislation, digital preservation, virtual reference and other information science policy issues.

FLICC also continued its collaboration with the Library's General Counsel on a series of meetings between federal agency legal counsels and agency librarians. Now in their fifth year, the fora grew out of the recognition that federal attorneys and librarians face many of the same questions in applying copyright, privacy, FOIA, and other laws to their agencies' activities in the electronic age -- with regard both to using information within the agency and to publishing the agency's own information. These meetings have enhanced the relationship between agency attorneys and librarians and have helped them develop contacts with their counterparts at other agencies. This year's series featured discussions on measuring Web users' activities, copyright issues, and rights management for access to research results funded by federal grants.

In the absence of an updated census of federal libraries and information centers by the National

Center for Educational Statistics (NCES), FLICC endorsed membership participation for a second year in the annual Outsell survey of “content deploying functions” in industry, academia, and the public sector. Nearly 300 federal librarians participated in the survey. According to Outsell, Inc., the only research and advisory firm that focuses exclusively on the information content industry, the survey indicated that government information professionals serve significantly more users than colleagues in corporations and academic libraries and spend much less per user. The results also showed that more than half of federal library respondents perform strategic business planning. In terms of reporting patterns, more than one quarter of respondents report to their agencies’ administrative department; 18 percent report to agency information technology departments; and 13 percent report directly to executive management.

FLICC's cooperative network, FEDLINK, continued to enhance its fiscal operations while providing its members with \$57.7 million in transfer pay services, \$28.8 million in direct pay services, and an estimated \$8.7 million in the new Direct Express services, saving federal agencies more than \$10 million in vendor volume discounts and approximately \$8.5 million more in cost avoidance.

To meet the requirements of the Fiscal Operations Improvement Act of 2000 (P.L. 106-481) that created new statutory authority for FEDLINK’s fee-based activities, FEDLINK governing bodies and staff members developed a new five-year business plan in Fiscal Year 2002 that entered its second year in Fiscal Year 2003. Program work in Fiscal Year 2003 continued to take advantage of the increased opportunities of FEDLINK’s authority as a revolving fund. Staff members made

significant progress on goals relating to improving processes as well as expanding marketing initiatives.

As directed in its business plan, FEDLINK developed and implemented its pilot Direct Express program. Similar to making a purchase from a GSA schedule, FEDLINK customers were able to place Fiscal Year 2003 orders directly with five commercial online information services vendors; the FEDLINK fee, included in vendor prices, was remitted to FEDLINK by each vendor on a quarterly basis. Ebsco Publishing (online services only), Gale Group, LexisNexis, ProQuest, and West Group were the first vendors to offer their services under this new streamlined process. All their product and service offerings were available to federal libraries under the pilot—electronic database publications, document delivery services, associated print publications and specialized access options.

Fiscal Year 2003 also saw innovative educational initiatives including workshops and seminars on Library of Congress subject headings, Web and cartographic cataloging, virtual reference, library performance measurement, and information retrieval and searching. Staff members sponsored 36 seminars and workshops for 1,349 participants and conducted 54 OCLC, Internet, and related training classes for 698 students.

FLICC/FEDLINK unveiled its newly redesigned Web site at the beginning of the fiscal year. It offers a variety of information resources, FEDLINK information, links to vendors and members,

access to account data online, awards program information, event calendars, and a training registration system.

FEDLINK also continued to customize and configure software and support services for electronic invoicing and increase online access to financial information for member agencies and vendors. Furthermore, FEDLINK's continuing financial management efforts ensured that FEDLINK successfully passed the Library's Financial Audit of Fiscal Year 2002 transactions performed by Clifton Gunderson, LLP.

FLICC and FEDLINK programs continue to thrive in the Facilitative Leadership (FL) environment. The FL tools consistently provided approaches and techniques to involve FEDLINK staff members and customers in the planning process, resulting in streamlined, efficient and cost-effective program actions.

FLICC Quarterly Membership Meetings

In addition to regular FLICC Working Group updates and reports from FLICC/FEDLINK staff members, each FLICC quarterly meeting included a special meeting focus on a new or developing trend in federal libraries: the first FLICC Quarterly Membership meeting featured a panel discussion on agency decisions to exempt 'commercial activities' from competitive sourcing; the second meeting included an overview by Susan M. Tarr, FLICC's Executive Director, on "What Surveys Tell Us About Libraries/Information Centers;" the third meeting focus was a presentation by Dana Hallman, Web Content Management Project Leader, Office of Citizen Services, GSA, on Vignette licensing and implementation;

and the fourth meeting included Leslie Barrett, Vice President and Lead Analyst of Outsell, on her organization's findings from its 2003 survey of information professionals.

FLICC Executive Board (FEB)

The FEB focused its efforts on a number of initiatives related to competitive sourcing, homeland security and educational programing. Early in the year, the board selected the 2002 FLICC Awards winners and then further defined the criteria for the 2003 awards program to have the nominations emphasize fiscal year efforts and agency mission as well as to clarify that the award for library/information center of the year should be for an entire entity, not a section or unit. The FEB also approved the formation of three new ad hoc FLICC Working Groups: the Competitive Sourcing Working Group, the Federal Libraries/GPO Partnership Working Group and the Department of Homeland Security Libraries Working Group.

FLICC Working Groups (For a list of working groups and chairs, see Figure A.)

FLICC Awards Working Group

To honor the many innovative ways federal libraries, librarians, and library technicians fulfill the information demands of government, business, research, scholarly communities and the American public, the Awards Working Group administered a series of national awards for federal librarianship. For the first time, in the Fiscal Year 2002 Awards, FLICC selected institutional winners in two categories: a small library/information center (with a staff of 10 or

fewer federal and/or contract employees) and a larger library/information center (with a staff of 11 or more federal and/or contract employees).

Federal Library/Information Center of the Year

– Large Library/Information Center Category

The Homer E. Newell Library, NASA, Goddard Space Flight Center, was recognized for its promotion of various innovative technologies and approaches to knowledge management. The library developed an extensive Web-based portal that connected a comprehensive project directory of resource and image gallery links with a network of experts. This enhanced the value of the knowledge gained from individual projects for the entire agency. The library was further recognized for eliminating the boundaries between traditional library support and the need for preserving knowledge unique to the Goddard Space Flight Center.

– Small Library/Information Center Category

The James A. Haley Veterans' Hospital Library, Tampa, Florida, was recognized for providing innovative, comprehensive, and customer-focused resources and library services to clinical members, allied health professionals, patients, families, and volunteers. In Fiscal Year 2002, the library worked directly with the hospital's nursing staff to provide patients with print information to supplement their discussions with their caregivers. The library also created a variety of innovative Web-based services and creative outreach activities for both professionals and patients to deliver knowledge-based information directly to the bedside and provided vital support for excellence in patient

care, research and education for staff and patients.

2002 Federal Librarian of the Year

Ann Parham, Army Librarian, was recognized for her leadership and devotion to librarianship as demonstrated by her commitment to excellence in the management of the worldwide U.S. Army Library Program, her advocacy for the restoration of the Pentagon Library, and the innovative librarian training program she orchestrated. In Fiscal Year 2002, Parham served as an example for the entire federal library community by reaffirming the values and importance of library and information services to management, the user community and the nation. Her initiatives in the wake of the September 11 attack on the Pentagon served as a model of principled determination and are a credit to the library profession.

2002 Federal Library Technician of the Year

Reginald A. Stewart, library technician, U.S. Army Library, Giessen, Germany, was recognized for his visionary approach to improvements and outreach with library services for children. He created a “storymobile” and initiated weekly visits to military housing areas to reach children unable to come to the library for story time. His enthusiastic storytelling and reading program created ongoing awareness, interest and visibility of library services in Army communities. In Fiscal Year 2002, Stewart expanded the main library’s children and adult collections, as well as military dependent elementary and high school libraries, through dedicated and enthusiastic efforts to acquire, select, process,

barcode and shelve more than 50,000 volumes from several closed base libraries.

At the annual FLICC Forum on Federal Information Policies in March 2003, the Librarian of Congress presented the individual award winners with a certificate and an engraved crystal award in the shape of a book honoring their contributions to the field of federal library and information service and the institutional winners with framed, hand-painted certificates for display.

FLICC Budget and Finance Working Group

The FLICC Budget and Finance Working Group developed the Fiscal Year 2004 FEDLINK budget and fee structure in the winter quarter. The group produced an online budget questionnaire for FEDLINK members and used the results to verify assumptions for the budget for Fiscal Year 2004. The final budget for Fiscal Year 2004 kept membership fees for transfer pay customers at Fiscal Year 2003 levels: 7.75 percent on accounts up to \$300,000 and 7.00 percent on amounts exceeding \$300,000. Direct pay fees also remained at Fiscal Year 2003 levels. Direct Express fees were reduced from 1 percent for the pilot to 0.75 percent for all participating commercial online information services vendors. Library officials approved the budget in September 2003.

FLICC Content Management Working Group

In addition to sponsoring three taxonomy programs including “Creating Taxonomies” with Claude Vogel, Chief Scientist of Convera, the working group also hosted the 2003 Information

Technology Update program called “Institutional Archives and Repositories in Government.” At their July meeting, Bob Haycock of the Office of Management and Budget described the Data and Information Reference Model (DRM), a part of the Federal Enterprise Architecture (FEA), which provides federal agencies with a common framework to categorize the data and information of the government.

FLICC Department of Homeland Security (DHS) Libraries Working Group

This newest working group formed early in the year to address information services for the staff members of DHS. Their first success was selecting useful links for the DHS intranet portal.

They also addressed a letter to DHS Secretary Tom Ridge, explaining the need for a central department library authority. Then they presented to Janet Hale, Under Secretary for Management at DHS, two proposals: one to provide cooperative digital reference services for the staff members of DHS and the second to develop enterprise-wide licensing for commonly used commercial online information services. DHS management approved both recommendations.

The working group subsequently established the DHS Virtual Reference Project subgroup to deal with digital/virtual reference issues using OCLC QuestionPoint system.

FLICC Education Working Group

During Fiscal Year 2003, the FLICC Education Working Group sponsored a total of 36 seminars, workshops, and lunchtime discussions to 1,349 members of the federal library and information center community in the areas of cataloging, performance measures, virtual reference, searching

and information retrieval and digital licensing. Also included in that total are five FLICC Orientations to National Libraries and Information Centers and brown-bag luncheon discussions which continued throughout the year.

The working group responded to the educational agenda developed by the FLICC membership in 2001 by implementing a management seminar series from the American Management Association with multi-day sessions on leadership, critical thinking and negotiating skills in Fiscal Year 2003. The working group also completed revision to its Web-based *Handbook of Federal Librarianship*.

FLICC Nominating Working Group

The FLICC Nominating Working Group oversaw the 2003 election process for FLICC rotating members, FLICC Executive Board members and the FEDLINK Advisory Council (FAC). Librarians representing a variety of federal agencies agreed to place their names in nomination for these positions.

FLICC Working Group on Federal Libraries/GPO Partnership

Nine librarians volunteered to serve on this new ad hoc working group to discuss issues related to the future of the depository program within the federal library context. They held their first meeting in May and established an infrastructure for the group, including a closed listserv.

FLICC Personnel Working Group

The working group reorganized under new leadership this year and focused its attention on the critical areas of core competencies, recruitment and retention of federal librarians, professional development and advancement for federal librarians. On-going projects include removing librarian as a category in the Department of Labor's Directory of Occupations and establishing a collection of existing classified librarian position descriptions.

FLICC Preservation and Binding Working Group

The working group finalized its "statement of work" (SOW) for developing a standard federal conservation/preservation service contract through FEDLINK. They also focused their discussions on surveying endangered collections, developing preservation and disaster recovery training and developing a generic disaster recovery contract. The working group also planned educational programs on digitizing developed by OCLC and an information session on the new GPO binding contract.

FLICC Publications and Education Office

In Fiscal Year 2003, FLICC supported an ambitious publication schedule producing six issues of *FEDLINK Technical Notes*: November/December 2002 (12 pages); January/February 2003 (12 pages); March/April 2003 (12 pages); May/June 2003 (12 pages); July/August 2003 (12 pages); and September/October 2003 (12 pages); and three issues of the *FLICC Quarterly Newsletter*:

Summer/Fall 2002 (8 pages); Winter 2003 (12 pages); and Spring/Summer 2003 (8 pages).

FLICC revised mission critical materials and developed targeted resources to support the FEDLINK program including the Fiscal Year 2004 *FEDLINK Registration Pamphlet* and four FEDLINK Information Alerts. FLICC also produced the minutes of the four Fiscal Year 2003 FLICC Quarterly Meetings and six FLICC Executive Board meetings, as well as all FLICC Education Program promotional and support materials including the FLICC Forum announcement, Forum attendee and speaker badges, press advisories, speeches and speaker remarks, and Forum collateral materials. FLICC produced 29 FLICC Meeting Announcements to promote FLICC education programs, FEDLINK membership and OCLC users' meetings, brown-bag discussion series, and education institutes, along with badges, programs, certificates of completion, and other supporting materials.

FLICC and FEDLINK staff members worked diligently throughout 2003 to revise and update the FLICC/FEDLINK Web site. After extensive work with focus groups, concept mappers, designers, advisors, and colleagues, staff members unveiled the new site at the beginning of the fiscal year. The new Web site contains a variety of information resources, FEDLINK member information, links to vendors and other members, listings of membership and minutes of various FLICC working groups and governing bodies, access to account data online, awards program information, event calendars, and a training registration system. This entire site is updated and backed up nightly. FLICC staff members also converted all publications, newsletters, announcements, alerts, member materials, meeting minutes and working group resources into

HTML and PDF formats, uploading current materials within days of their being printed. Staff members completed an extensive initiative to update the numerous Web links throughout the Web site and continue to enhance and expand the site via an inter unit Web team of content, design, editorial and technical personnel.

FLICC continued to build its distance learning offerings by providing RealMedia cybercasts of both the fall and spring FEDLINK Membership meetings and OCLC Users meetings, as well as the annual FLICC Information Policy Forum, the FLICC Awards Ceremony, and a special educational event on “Promoting Information Retrieval Strategies in Federal Agencies,” co-sponsored with the Army Knowledge Management Office and the Deputy Chief Information Officer of the Department of Defense. Because of the importance of the presentations at the fall membership meeting, that video was also converted and archived for viewing from FLICC’s Web video library, along with content management lunchtime discussions, the FLICC Forum and the FLICC Awards Ceremony.

FLICC staff members recorded eight outstanding educational programs to provide videos on interlibrary loan through the National Library of Education. To make the discussions and presentations at the FLICC quarterly membership meetings available for members at remote locations, staff members videotaped these sessions and distributed copies for viewing to members who were unable to attend.

In collaboration with FEDLINK Network Operations staff members, the FLICC Publications

staff members continued to offer dynamic resources including OCLC Usage Analysis Reports, pricing data, and many new documents, including the Fiscal Year 2004 budget questionnaire and ballot, as well as a variety of training resources. Staff members also worked with the Library's Contracts Division to make electronic versions of FEDLINK's Requests for Proposals available online for prospective vendors.

In Fiscal Year 2003, Publications staff members continued to support the Member Services Unit and their Online Registration/Online Interagency Agreement (IAG) system. This year, this inter unit team implemented an option for members to change or add addresses and contacts online, and developed online versions of its add funds and IAG amendment documents. Just in time for the new fiscal year, publications staff members released a new version of the online registration page to match the overall FLICC Web site design. The page also included an update screen regarding outstanding contracts and centralized all of the other resources customers need to manage their accounts on one Web page.

In conjunction with the FLICC Education Working Group, FLICC offered a total of 36 seminars, workshops, and lunchtime discussions to 1,349 members of the federal library and information center community, a 38 percent increase in the number of programs provided the previous fiscal year. Multi-day institutes looked at map cataloging and integrating resources cataloging; one-day sessions offered hands-on and theoretical knowledge on disaster recovery, metadata, Web portals, managing and preserving electronic resources, advanced Web searching, disaster recovery, Library of Congress subject headings, and virtual reference. FLICC was also host to

three General Counsel Fora, on measuring Web users activities, copyright issues, and rights management for access to research results funded by federal grants.

FLICC demonstrated its ongoing commitment to library technicians' continuing education by hosting satellite downlinks to a popular teleconference series, "Soaring to... Excellence," produced by the College of DuPage. Following the success of previous programs, FLICC held the seventh annual "Federal Library Technicians Institute." This week-long summer institute again focused on orienting library technicians to the full array of library functions in the federal sector. Federal and academic librarians joined FLICC professionals to discuss various areas of librarianship, including acquisitions, cataloging, reference, and automation.

FLICC also provided organizational, promotional, and logistical support for FEDLINK meetings and events including: the FEDLINK Fall and Spring Membership Meetings; two FEDLINK OCLC Users Group meetings; and 32 vendor demonstrations. (See Figure C for a complete listing of educational programs.)

FEDLINK (Federal Library and Information Network)

In Fiscal Year 2003, FEDLINK managers and professional staff members executed plans for the second year of business under the Revolving Fund. They improved processes, increased marketing of the program to federal libraries and their partner contracting officers and chief information officers, and expanded the number and types of services that libraries and

information centers can procure via the FEDLINK program. They also worked to ameliorate the effects on federal libraries of the bankruptcy of a major serials subscription agent, Faxon/Rowecom.

FEDLINK continued to give federal agencies cost-effective access to an array of automated information retrieval services for online research, cataloging, and interlibrary loan (ILL). FEDLINK members also procured print serials, electronic journals, books and other publications, CD-ROMs, and document delivery via Library of Congress/FEDLINK contracts with more than 100 major vendors. The program obtained further discounts for customers through consortia and enterprise-wide licenses for journals, aggregated information retrieval services and electronic books.

The FEDLINK Advisory Council (FAC) met 10 times during the fiscal year. In addition to their general oversight activities, the council advised FEDLINK managers on priorities for the second year of the five-year business plan, provided valuable insight into trends in the information industry, and supported adoption of the Fiscal Year 2004 budget. They also provided feedback on the administration of consortial purchases, and assisted FEDLINK staff members in obtaining feedback from customers.

The annual Fall FEDLINK Membership meeting featured an overview of the FAIR Act presented by Susan M. Tarr, FLICC Executive Director. Suzanne Grefsheim, Chief, Library Branch, National Institutes of Health, explained how the FAIR Act Inventory has been implemented in

her agency. Barbara Wrinkle, Director of Libraries and Information Systems, Department of the Air Force, outlined the experiences of the Air Force library programs with the OMB Circular A-76 in contracting out positions.

The Spring FEDLINK Membership meeting featured Carol Bursik, chair of the FLICC Budget and Finance Working Group, who presented the proposed Fiscal Year 2004 budget, and a formal brainstorming session on FEDLINK services and business processes. FAC members facilitated this discussion in small groups and aided in summarizing this customer feedback. The results of these sessions were later featured in a *FEDLINK Technical Notes Newsletter* article. FEDLINK managers and program staff members met after the meeting and identified a number of items from the brainstorming session that they could use to improve and streamline the program and used the remainder of the feedback to focus future priorities and revise the FEDLINK business plan. In the afternoon, Leslie Jacobs, the vice president and lead analyst for Outsell, Inc., addressed the meeting participants to describe developing trends in the information industry. Meeting participants again formed small groups to discuss and identify trends specific to federal libraries. Meeting participants agreed that government-wide trends affecting libraries include President Bush's five-point management agenda, which include the FAIR Act and "e-gov" initiatives that add new expectations in delivery of information, and the growth of and demand for agency-wide intranet information portals.

FEDLINK/OCLC Network Activity

Both FEDLINK OCLC Users Group meetings, held in November and May, provided in-depth presentations on OCLC's expanded Web services including their improved cataloging and ILL Web interfaces, increased functionality for FirstSearch and its increased connections to full text resources and integration with other Web-based systems. The November meeting also featured a look at OCLC's purchase of the electronic book supplier netLibrary, and a staff member on detail to FEDLINK from the Treasury Library worked with FEDLINK members to improve subject access to netLibrary collections. Both OCLC user meetings provided updates on OCLC's preservation services and improvements to QuestionPoint, the Library of Congress-OCLC cooperative digital reference system.

FEDLINK staff members supplemented these biannual OCLC meetings with six "OCLC News" articles in *FEDLINK Technical Notes*, postings on electronic lists, extensive telephone consultations and email. They visited 14 member libraries to provide in-depth demonstrations of OCLC services and to consult on workflow and best practices. They provided demonstrations and lectures at agency meetings, such as Navy and Air Force library meetings. Staff members also monitored OCLC usage, posted usage data monthly to FEDLINK's online account management system, ALIX-FS, and reduced deficits in OCLC accounts.

FEDLINK members were represented on the OCLC Members Council by Carol Bursik, Assistant Director for Access and Organization, Department of Justice Libraries, and Eleanor Frierson, Deputy Director of the National Agricultural Library.

Training Program

The 2003 FEDLINK training program included 32 onsite training classes for 215 students and 22 offsite programs for 483 participants. FEDLINK facilitated training by LC cataloging experts for Army libraries in Europe, presentations on digital content management best practices by LC experts for the Army Corps of Engineers, and taught OCLC workshops to Army and Air Force library staff members in England and Germany.

FEDLINK also promoted its training agreements with other OCLC networks so that FEDLINK customers could fund training accounts for workshops held by Amigos, BCR, CAPCON, NYLINK, Michigan Library Consortium, OCLC Western and Palinet. FEDLINK also brokered the Computers in Libraries conference at a discounted rate for 269 attendees, saving the government \$62,318.

Procurement Program

Five vendors completed the pilot test of a streamlined direct procurement method called Direct Express. Based on the pilot's success, FEDLINK integrated the Direct Express option into its open Request for Proposals (RFP) for online information services. The RFP attracted responses from 12 new vendors and saw all but a handful of online services vendors integrating the Direct Express option into their contracts. Use of Outsell's services by FEDLINK customers also grew, including the procurement of needs assessments by three library programs.

FEDLINK managers worked with an onsite consultant to promote use of its consortia and to analyze their administration and use. Staff and the consultant implemented an INSPEC consortium for 11 libraries/centers. The savings of up to 50 percent brought the product price within reach for a number of small libraries. Staff then worked with Department of Defense contacts on three Business Initiative Council (BIC) “pilots” to demonstrate the benefits of FEDLINK’s procurement program, and worked with the new Dept. of Homeland Security (DHS) to consolidate licensing for commercial online database services used by DHS libraries and end users.

Staff completed a statement of work for a preservation services solicitation. Execution of the procurement was delayed by the demands on the program and contracting staff members to ameliorate the effect of the Faxon/Rowecom bankruptcy. Staff helped the FEDLINK contracting unit and LC’s general counsel review and withdraw or terminate over 50 FEDLINK serials contracts, and execute new ones in a timely manner to avoid continued service disruptions for FEDLINK’s customers. Staff members counseled customers and provided information about the steps being taken by contracting officials and the Justice Department. The FLICC Executive Director was called upon to represent FEDLINK customers’ interests as representative to the select informal Rowecom creditors steering committee. This committee eventually was able to help solicit a buyer to facilitate publishers’ and libraries’ efforts to resolve subscription needs.

To resolve the issues related to the bankruptcy, FEDLINK staff members rescinded payments, reallocated funds, verified invoices, and prepared detailed reports for legal proceedings. In

March, FEDLINK completed an internal review and developed recommendations for processes to mediate the program's exposure in potential future bankruptcies.

FEDLINK Fiscal Operations

FEDLINK Vendor Services

Total FEDLINK vendor service dollars for Fiscal Year 2003 comprised \$57.7 million for transfer pay customers and \$28.8 million for direct pay customers. Database retrieval services represented \$19.9 million and \$16.4 million spent, respectively, by transfer pay and direct pay customers. Within this service category, online services comprised the largest procurement for transfer pay and direct pay customers, representing \$19.0 million and \$16.0 million, respectively. Publication acquisition services represented \$31.1 million and \$12.4 million, respectively, for transfer pay and direct pay customers. Within this service category, serials subscription services comprised the largest procurement for transfer pay and direct pay customers, representing \$22.2 million and \$12.2 million, respectively. Library support services represented \$6.6 million and \$85 thousand, respectively, for transfer pay and direct pay customers. Within this service category, bibliographic utilities constituted the largest procurement area, representing \$4.9 million and \$85 thousand for transfer pay and direct pay customers, respectively.

Accounts Receivable and Member Services

FEDLINK processed Fiscal Year 2003 registrations from federal libraries, information centers, and other federal offices for a total of 558 signed IAGs (551 for Fiscal Year 2003 and 7 for prior fiscal years). In addition, FEDLINK processed 2,473 IAG amendments (1,106 for Fiscal Year 2003 and 1,367 for prior year adjustments) for agencies that added, adjusted or ended service funding. These IAGs and IAG amendments represented 8,957 individual service requests to begin, move, convert, or cancel service from FEDLINK vendors. FEDLINK executed service requests by generating 8,449 delivery orders that FEDLINK Contracts Unit issued to vendors. For Fiscal Year 2003 alone, FEDLINK processed \$57.7 million in service dollars for 2,415 transfer pay accounts and \$28.8 million in service dollars for 62 direct pay accounts.

Included in the above member service transactions were 1144 member requests to move prior year (no-year and multi-year) funds across fiscal year time periods. These no-year and multi-year service request transactions represented an additional contracting volume of \$7.5 million, comprising 1,144 delivery orders. Fiscal year 2003 was the first year that FEDLINK charged no fee for these “money moves” across fiscal years because the Revolving Fund allows FEDLINK to continue to use prior year fee revenue for ongoing operations.

The FEDLINK Fiscal Hotline responded to a variety of member questions ranging from routine queries about IAGs, delivery orders, and account balances, to complicated questions regarding FEDLINK policies and operating procedures. In addition, the FLICC Web site and email contacts continued to offer FEDLINK members and vendors 24-hour access to fiscal operations.

Staff members scheduled appointments with FEDLINK member agencies and FEDLINK vendors to discuss account problems and senior staff members concentrated on resolving complex current and prior fiscal year situations. FEDLINK online financial service system, ALIX-FS, maintained current and prior year transfer pay accounts in Fiscal Year 2003 and provided members early access to their monthly balance information throughout the fiscal year.

FEDLINK also issued monthly mailings that alerted individual members to unsigned IAG amendments, deficit accounts, rejected invoices, and delinquent accounts; and issued the year-end schedule for Fiscal Year 2003 IAG transactions.

Transfer Pay Accounts Payable Services

For transfer pay users, FEDLINK processed 57,845 invoices for payment during Fiscal Year 2003 for both current and prior year orders. Staff members efficiently processed vendor invoices and earned \$18,114 in discounts in excess of interest payment penalties levied for late payment of invoices to FEDLINK vendors. FEDLINK continued to maintain open accounts for three prior years to pay publications service invoices ("bill later" and "back orders") for members using books and serials services. Staff members issued 90,894 statements to members (23,243 for the current year and 67,651 for prior years) and continued to generate current fiscal year statements for database retrieval service accounts on the thirtieth or the last working day of each month, and publications and acquisitions account statements on the fifteenth of each month. FEDLINK issued final Fiscal Year 1998 statements in support of closing obligations for expired Fiscal Year 1998 appropriations and quarterly statements for prior fiscal years while supporting the reconciliation of Fiscal Year 1999 FEDLINK vendor services accounts. FEDLINK issued the final call for Fiscal Year 1999 invoices to vendors early in December 2002.

Direct Express Services

FEDLINK implemented the Direct Express Services pilot program at the beginning of Fiscal Year 2003. Five online information services vendors participated in the program which was designed to provide customers procurement and payment options similar to GSA wherein the vendor pays a 1 percent quarterly service fee to FEDLINK based on customer billings for usage. The advantage for customers and vendors is the streamlined nature of Direct Express; customers no longer need to establish an IAG to purchase online services directly; instead they simply cite the FEDLINK contract terms and conditions on their agency purchase order. Although the pilot was successful, it did not generate the fee revenue initially anticipated because of an early lack of awareness about the program on the part of FEDLINK customers and vendors. Fee revenue expectations for Direct Express were reduced by 58 percent and at the close of the Fiscal Year 2003 FEDLINK received \$87,000 for three quarters of Fiscal Year 2003 from Direct Express, representing an estimated \$8.7 million in customer procurements. The payment schedule terms of Direct Express require the vendor to pay fees in arrears for the previous quarter; the fourth quarter vendor payment in the amount of \$29,000 is due 45 days after the start of Fiscal Year 2004.

Budget and Revenue

During Fiscal Year 2003, FEDLINK revenue from signed IAGs was 1.6 percent less (\$70,000) than was budgeted. The budget difference in program fee revenue is attributed to a slow startup in the Direct Express pilot program for online information services. The program fee revenue exceeded Fiscal Year 2003 expenditure obligations by \$51,000, which is slightly better than the \$47,000 anticipated surplus in the Fiscal Year 2003 budget. Program expenditure obligations(net

of training reimbursements) are expected to be approximately \$122,000 less than the budget because of delays in replacing FEDLINK's financial management system. As Fiscal Year 2003 ended, FEDLINK fee revenue was approximately 4.8 percent below Fiscal Year 2002 levels for the same time period. This decrease in fee revenue occurred despite an 1.8 percent increase in transfer pay service dollars and is the result of FEDLINK customers benefitting from the revolving fund. FEDLINK anticipated this decrease because under the revolving fund FEDLINK does not charge transfer pay customers service fees for no-year and multi-year transactions carried across fiscal years.

Business Plan Implementation

Fiscal Year 2003 was the second year of the FEDLINK Business Plan which featured the implementation of the following initiatives:

Regain Library support for a legislative strategy to amend P.L.106-481 to achieve no-year spending authority for customer accounts. During the fourth quarter of the fiscal year, the FLICC Executive Director met with the Library's Executive Committee, including the new Associate Librarian for Library Services, to present a review of the benefits of this initiative. The Executive Committee subsequently agreed to put this initiative on its legislative calendar for 2004.

Add new vendors and services and exploit selected consortium opportunities. As discussed in

prior sections FEDLINK completed the solicitation and negotiation of proposals for online information services adding 12 new vendors. Additionally, the FEDLINK Contracts Unit established more than 90 multi-agency contractual vehicles including more than 50 new Indefinite-Delivery-Indefinite-Quantity (IDIQ) contracts under which the program's administrative fees can be paid by the vendors rather than by FEDLINK customers through the Direct Express program.

Improve processes and remove barriers. FEDLINK responded to the Faxon/Rowecom bankruptcy and invested significant energy to resolve serials business issues and develop plans to ensure survival of the product line. Key initiatives entailed identifying program actions to mitigate the inherent risk in the serials business model and implementing staff recommendations to strengthen internal controls.

FEDLINK staff worked diligently to support the move of online services from Direct Pay IAGs to the Direct Express Option through proposal negotiations and replicating accounting codes to accommodate vendor electronic funds transfer payments. These efforts will significantly improve the Direct Pay acquisition process.

FEDLINK also extended its distribution of electronic monthly account statements in the Washington, D.C. metro area to all zip codes in the states of Maryland and Virginia. This process encountered some difficulties due to customer fire wall restrictions. Overall these actions improved the delivery of statements to regional customers.

In addition, FEDLINK successfully implemented a new vouchering process in accounts payable which requires vendors to include delivery order numbers on their company's invoices. Under the Revolving Fund, FEDLINK procurement and contract actions can take place in a period subsequent to a customer obligation action. This modification of accounts payable practices puts FEDLINK's processes in line with the new procurement advantages that are available to customers under the Revolving Fund.

Gather research on the information marketplace. FEDLINK contracted to have Outsell, Inc. gather research on the information marketplace.

Develop and begin to execute a three-year marketing plan. FEDLINK staff developed plans to help vendors market to customer agencies and to enhance vendor understanding of the FEDLINK program. Initiatives in Fiscal Year 2003 included 32 vendor demonstrations for 278 customers and participation in a local procurement conference to provide information to agency procurement officers regarding the benefits of using FEDLINK procurement vehicles. The work that remains entails developing final products/publications for dissemination to customers, procurement offices and vendors.

Other Financial Management Accomplishments

FEDLINK successfully passed the Library of Congress Financial Audit of Fiscal Year 2002 transactions and completed vulnerability assessments of program financial risks for Library

Services, Office of the Inspector General (OIG) and the Planning, Management and Evaluation (PMED) audit review. As a follow-up requirement, staff members completed Detail Control Reviews of program financial operations for Library Services, OIG and PMED review. Support for these audits includes financial systems briefings, documented review and analysis of financial system, testing and verification of account balances in the central and subsidiary financial system, financial statement preparation support, security briefings and reviews, and research and documented responses to follow-up audit questions and findings.

FEDLINK continued to provide central accounting customer agency account balances to meet Treasury Department reporting requirements. FEDLINK also implemented all aspects of Revolving Fund reporting, including preparation, review, and forecasting revenue and expenses for the accounting period.

Figure A: FLICC Working Groups

FLICC Awards Working Group

Chair: Mark Ziomek, U.S. Holocaust Memorial Museum

FLICC Budget and Finance Working Group

Chair: Carol Bursik, Department of Justice

FLICC Competitive Sourcing Working Group

Chair: Karen Kapust, Food and Drug Administration

FLICC Content Management Working Group

Co-Chairs: Rod Atkinson, Library of Congress and

Blane Dessy, Department of Justice

FLICC Department of Homeland Security Libraries Working Group (Ad Hoc)

Chair: Susan M. Tarr, FLICC

FLICC Homeland Security Virtual References Services Subcommittee Chair: Jean

Conrad, NOAA

FLICC Education Working Group

Chair: Sandy Morton-Schwalb, Defense Technical Information Center

FLICC GPO Partnership Working Group (Ad Hoc)

Chair: Judith Russell, Government Printing Office

FLICC Nominating Working Group

Chair: Gail Henderson-Green, Internal Revenue Service

FLICC Personnel Working Group

Co-chairs: Mary Boone, The Department of State and
Greta Lowe, NASA

FLICC Policy Working Group

Chair: Kurt Molholm, Defense Technical Information Center

FLICC Preservation and Binding Working Group

Co-chairs: Robert Schnare, Naval War College and
Susan Frampton, Smithsonian Institution