Attachment B – NC Cardinal Annual Costs by Library
State Fiscal Year 2019-2020

Annual Cost Calculations

A. During the State Fiscal Year (July 1 – June 30) of the Library’s migration (year one), the incoming Library shall incur no Branch Costs or Shared ILS Costs. The State Library of North Carolina shall cover the Library’s portion of Branch Costs and Shared ILS Costs for the first full fiscal year following migration (year two). The Library shall fund its portion of Branch Costs and Shared ILS Costs for Base Level Access to the NC Cardinal ILS beginning with year three of participation in NC Cardinal.

B. Base Level Access includes access to and use of the NC Cardinal Integrated Library System (ILS) software, hardware maintenance, hardware administration, database administration, Standard Internet Protocol (SIP) services, software upgrades, second-level system support, integral components, and tools related to the statewide resource sharing distribution system.

C. The Library’s annual costs for participation in the NC Cardinal ILS shall be calculated based upon the following formula:

\[
\text{Shared ILS Costs Calculations:} \quad \text{Total Consortial Costs} - \text{Total Branch Costs} = \text{Shared ILS Costs}
\]

\[
\text{Library System Costs Calculations:} \\
\quad \text{Library’s Portion of Branch Costs} \quad \left( \text{# of Qualifying Branches} \times \text{Cost per Branch} \right) \\
\quad + \quad \text{Library’s Portion of Shared ILS Costs} \quad \left( \% \text{ of Total ILS Active Items} \times \text{Shared ILS Costs} \right) \\
\quad \text{Total Library Costs}
\]

D. Total Consortial Costs are the annually reviewed and negotiated fees charged by the NC Cardinal hosting vendor to maintain and administer the shared ILS software and hardware. These fees provide for:

1) maintenance for server administration;
2) implementation of software upgrades;
3) maintenance of database storage performance optimization;
4) upgrade of server configuration; and
5) support of software issues and problem resolution.

E. Total Consortial Costs are then divided into two categories:

1) **Total Branch Costs** are the sum of all Costs per Branch for all qualifying libraries in the consortium.

2) **Shared ILS Costs** are the shared portion of the Total Consortial Costs after Total Branch Costs are deducted. These Shared ILS Costs are divided among all library systems according to each library’s percentage of Active Items in the shared ILS.

F. The **Library’s Portion of Branch Costs** is composed of the Cost per Branch multiplied by the number qualifying branches in that Library System.

1) The **Cost per Branch** is the annual flat fee charged by the NC Cardinal hosting vendor for each Qualifying Branch location within a Library’s service area.
2) A **Qualifying Branch** meets the following criteria:
   a. Is open more than 18 hours per week;
   b. Stores and circulates items to the general public; and
   c. Acts as a circulating branch as their primary responsibility.
3) Library outlets that are not qualifying branches will not incur the annual fee.

G. The **Library’s Portion of Shared ILS Costs** is determined by multiplying the Shared ILS Costs by the percentage of total active items in the shared ILS catalog that are owned by the Library.

1) An **Active Item** is a catalog record associated with a specific barcode which has not been withdrawn, discarded, or deleted during the fiscal year. The Library’s percentage of active items is calculated based on the total number of active items in the NC Cardinal shared catalog. Active item counts for the calculation of annual costs shall be captured on January 1 of each year.

H. The Library will receive an Annual Invoice each fiscal year listing Total Library Costs.

I. Total Library Costs FY 2019-2020 for

<table>
<thead>
<tr>
<th>Library's Portion of Branch Costs</th>
<th># of Qualifying Branches</th>
<th>Cost per Branch</th>
</tr>
</thead>
<tbody>
<tr>
<td>$.00</td>
<td>$1000.00</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Library’s Portion of Shared ILS Costs</th>
<th># of Library Active Items</th>
<th>Total ILS Active Items</th>
<th>% of Total ILS Active Items</th>
<th>Shared ILS Costs</th>
</tr>
</thead>
</table>

**Total Library Costs**