

White Paper

Funding Rutgers Libraries Collections: Needs and Challenges

**An Assessment Offered by the
New Brunswick Collections Group (NBCG)**

November 24, 2003

INTRODUCTION:

A university library is often regarded as the heart of the institution, and as we enter a new century and welcome a new university administration, it is particularly appropriate to consider how well this organ is functioning at Rutgers. Our focus here will be on one area that we consider to be paramount to all other considerations, namely, funding in support of collection development. Funding for our collections is literally the lifeblood of the organization, and both the size of the budget and the process by which it is bestowed are of critical importance. Improvements in both areas are urgently required: the library needs a budgeting process that is more predictable, more transparent, and better matched to the demands of the publishing industry with which we deal. Above all, the amount of funding needs to be increased to a level permitting stronger support of crucial university educational and research objectives.

MAJOR PROBLEM AREAS

a) Budget Stagnation: Over the past decade the library collections budget has not kept pace either with the growth of inflation in the publishing world or with the growth of the University itself. Indeed, the library budget now has significantly less buying power than it did a decade ago. As a result, University programs initiated in recent years are inadequately supported in the library because of funding constraints. And older, historically important areas of ongoing scholarship in Rutgers have likewise suffered as limited means are stretched thinner and thinner to try to cover more and more demands on library funds. These factors have inevitably resulted in the erosion of resources. The libraries have needed to cancel existing journal subscriptions (most notably in the sciences); to forego subscribing to new journals at the cutting edge of research; to cancel various online resources; and to cut back drastically on book purchases in all disciplines, with especially devastating impact on the social sciences and humanities. Indeed, some Rutgers scholars have made known their growing reliance on the libraries of other institutions in the face of continuing inadequacies experienced with Rutgers collections in their areas of expertise.

b) Budget Timing: Our present budget cycle is totally out of sync with the demands of the publishing market place in which we must operate. Both state and non-state funds budgets are received so late in the year that we typically lose all of the first quarter of each fiscal year (and sometimes more) for ordering purposes. The late receipt of these

funds means that we always run late in placing subscription renewals with our vendors, causing endless paperwork problems which are costly in manpower to correct. And we often lose discounts that could have been obtained by early order placement so that we actually suffer a needless drain of scarce funds simply because of bad timing. Finally, because of the mechanics of the acquisitions process, orders placed during the last three months of the fiscal year (April through June) have no assurance that they can be fulfilled and paid in the current fiscal year with state funds. In effect, this means that our collection development purchase cycle with state funds (which must be spent within each current fiscal year), for all practical purposes, is compressed into a period of less than six months. And this compression results in all sorts of distortions, inequities, and inefficient use of funds.

c) Budget Predictability: We understand that the uncertainties of the economic environment in which we operate subject us to forces that are beyond the control of the University. However, in recent years the inherent instability of the process has appeared to become more exaggerated and the library is subjected to a kind of annual whiplash effect. The libraries are cautioned to prepare for various worst case scenarios, notify the faculty about impending cuts in order to determine the least painful cancellations--thus stirring up much anxiety and concern--only to learn at the last minute that the proposed cuts are less than anticipated (to our relief, of course!). But by then the faculty has lost faith in the credibility of the library. We have been through more of these “cry wolf” cycles than we care to recall, but the current year was certainly the worst in memory, and we fervently hope that we can find some way of avoiding more of these wrenching experiences in the future. Clearly some means has to be found to smooth out the budgeting process so that the library can continue to function at some reasonable level through good years and bad.

d) Budget Impact of the Digital Revolution: The digital revolution that has occurred over the past several years has transformed libraries in ways that could scarcely be dreamed of earlier, and has proved to be a great boon to scholarship and research. Computer searching of the literature combined with online access to full text journal articles gives scholars vastly increased command of the literature of their respective fields. However, this convenience is a two-edged sword and comes at a price—a high price. At first it was assumed that the process of conversion from print to electronic access would reduce costs, resulting in substantial cost savings for academic libraries. Unfortunately, our experience has proved otherwise, and we now know that the increasing reliance on digital access is responsible for new (and growing) costs, most notably capital outlays for purchasing and maintaining banks of computers and associated networking systems, plus the high charges imposed by publishers who have monopolistic control of great swathes of journals under their imprint and charge whatever the market can bear. Moreover, the switch from print to electronic journal access has significantly changed the mechanics of collection budget control by libraries. In the pre-electronic era, libraries could control journal budget costs on a journal by journal basis, adding or cancelling individual titles at will, depending on budget requirements and subject, of course, to the needs of the academic community. In today’s increasingly online dependent environment, this freedom to fine tune journal collections has been lost to the publishers whose market

control over the costly online journal packages they supply is essentially absolute. Moreover, the online journal packages offered by the publishers are all or nothing deals and the costs are accordingly vastly magnified. The academic library community is exploring various strategies to counteract the power of the publishers, but all indications point to a long, drawn-out contest. In the interim, library budgets must somehow accommodate or find alternative ways of dealing with the radical changes in pricing wrought by the digital revolution.

ACTIONS NEEDED:

The library budget and its administration are intertwined with organizational complexities that extend through the upper layers of University administration clear into the governmental structure of the state of New Jersey. Therefore, some of the budgeting procedures are beyond the control of the library, but others fall within the realm of library administration and are subject to our oversight. The first section below deals with those aspects of the budgeting process that are external to the library: our purpose here is to call attention to some of the most troublesome problems and suggest possible changes that would improve the budgeting process. The second section contains a summary of problem areas that are within the province of the library to deal with.

1. Problem Areas at the University and State of New Jersey Level

a) Establish Academic Priorities

The University needs to provide more guidance about academic priorities: from the library standpoint, it is simply not practical or useful to say that “we strive for excellence in all subjects and at all levels (undergrad and graduate)”, unless sufficient funding for collection development is provided across the board. If library funding of appropriate magnitude for such full spectrum development is not forthcoming (as it has not been), then choices must be made about how best to rank academic programs for collection development support. The University and RULS would benefit greatly from better coordination of academic objectives.

b) Adopt a More Predictable Library Budget Plan

The library budget needs to be placed on a more solid basis by the University. At the very minimum, current year collection development costs need to be covered, plus an annual adjustment for inflation. This is exclusive of library support for new programs introduced by the university, which would be an incremental cost. At the same time we recognize the urgent need to develop better counter measures against the predatory pricing practices of some of the worst offenders in the publishing world.

c) Library Funding for New Academic Programs

We recommend that the library be involved on a consultative basis regarding the development of any new academic programs so that the cost of collection development in

the new subject areas be adequately taken into account and provided for right from the start. Moreover, the university should allocate to the libraries additional funding for collections whenever making a senior (P2) appointment in a previously neglected field. Achieving these goals would require support of the University administration in mandating such cooperative efforts, but would also be reinforced by appropriate liaison activities by the librarians

d) Adjust the Budget Calendar Cycle

Both state and non-state funds allocations should be received by no later than the end of July of each fiscal year. It is understood that the University itself is subject to the state of New Jersey budgeting process and the timing of this process makes it difficult to achieve the desired deadline for the library. However, we believe that it should be possible to develop a procedure that would enable the library to accept and process collection development orders much earlier in the fiscal year than is now the case.

e) Advocate Explicit Allocation of Grant Funds from Academic Units for Library Support

At present the library receives only indirect support from grant funds in the form of allocations to general overhead accounts. However, in reality, we have no way of knowing how much, or if any such funds are actually employed in support of the library. We propose that all academic unit grant funds received by the University be required to contribute some designated percentage directly to the library for collection development purposes

2. Problem Areas Under the Control of the Library

a) Develop More Effective Budget Monitoring and Planning Procedures

* We need to learn full details about the meaning of the new “all funds” approach to budgeting announced by the administration, and how best to adapt it to our needs.

* Collections budget monitoring, control, and planning procedures need to be reviewed and revised to better serve our requirements for the following purposes:

- ** Help optimize the best possible match-up between perceived needs and available funding for collections during any given fiscal period.
- ** Assure the most effective utilization of such funding.
- ** Establish and maintain an ongoing predictive functionality in support of future budget needs.

b) Develop New Ordering Procedures

Explore acquisition strategies that will maximize the impact of our available funding. These may include adopting various accounting techniques, developing special arrangements with various publishers and other vendors, etc. A major concern here is to avoid the trap that we often fall into near the end of the fiscal year when orders that are still unfulfilled (most usually the result of the longer turnaround times for ordering and receiving of foreign publications) and the state funds originally committed for such purposes are utilized for other purposes because of the necessity to spend out all state funds by yearend.

c) Commit To A Fixed Cost Budget For Monographs

Our current system treats the cost of firm monograph orders as a residual: money that is “left over” (if any) after allowances for journal subscriptions, journal packages, monographic series, etc., may be used to place firm monograph orders. We believe that this approach seriously undercuts our monograph purchasing needs (even when taking the approval plan into account). We should budget for firm ordering of monographs in the same fashion as we do for journals and databases.

d) Improve Our Current Fund Code System

Redesign the current fund code system to provide more flexibility, control, and accountability for selectors to optimize the utilization of available funding.

PATHS TO CHANGE

A great university requires a great library system. As Rutgers strives for greatness, the library must also be encouraged to grow in tandem, strengthening a partnership that will be richly rewarding for the academic community and the people of New Jersey.

We recognize that the agenda listed above is ambitious in its scope. But we also believe that our budget problems are of the highest urgency and the need for the recommended actions require our full attention at the earliest time. The New Brunswick Collections Group stands ready to offer whatever further support may be required to help expedite the necessary operational changes.

Signed:

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