

## Appendix A

### Review of Management of Acquisitions Budget

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### ***Section 1: Description of the Review***

During the 2007-2008 academic year, the University Library Council (ULC) conducted an extensive review of the policies guiding the expenditure of the acquisitions budget. In September the ULC met with the provost, who requested that the council review expenditure processes with attention to maximizing the value of the funding. In October the council gathered relevant policies that guide the distribution of the acquisitions budget with the assistance of the Libraries' Collection Management Department. During November and December the ULC met with those in the libraries charged with decisions on acquisitions. A series of proposed changes emerged from these sessions that guided the ULC's discussions in January through April. This report describes the conclusions drawn from these discussions.

### ***Section 2: General comments on the crisis in collections***

The review of the policies was a discouraging exercise tinged with desperation. It became clear to the ULC that regardless of how the deck chairs were arranged, the Titanic was sinking. Strategies for survival have kicked in and provide as much as can be expected.

Nevertheless, the message is clear: If the greatness of a university depends on access by its students and faculty to the accumulated knowledge of inquiry, Maryland will not become a great university without addressing the state of support for its shared research collections. For many years, comparisons have been made between the university's libraries and those of its peer institutions as a measure of the state of our support. Currently, among our peers, we are the significantly smallest library (46% of mean volumes of peers, 67% of our smallest peer); have access to the fewest journals (42% of mean serial titles of peers, 75% of next fewest peer); only spend 68% of the mean expenditure of our peers for collections and 92% of our lowest peer.

Such comparisons at this time serve only to hide the ugly truth: the more informative comparison is with an *average* research library, not our peers. On this scale we are behind, but not hopelessly so. Our collection is only slightly larger (106%) than the median collection size of ARL libraries; we own only 81% of the serials titles of the median ARL library; our expenditures for materials are now 95% of the ARL median; and our tenuous position of mediocrity is eroding since we are adding only 72% of what the median ARL library is adding. The support being received for acquisitions in the university libraries is targeting us to be an average institution, not a world class institution of distinction.

Although certainly there is some failure of will in funding the libraries, the principal problem is the impact of the economic dislocations in publishing of academic material and their impact on the purchasing power of funding. Library materials continue to inflate at approximately ten percent per year. The libraries, the faculty of the institution, and the administration can all lament this fact, but at the moment only the libraries are taking *any* positive action to address the problem. The University Senate had the opportunity a couple years ago to address the problem but ultimately passed. The administration for several years had a program in place to recognize the inflation but in times of budget constraint abandoned it. The administration has exempted the libraries' materials budget from selected budget cuts during this time, but the limits of this approach are evident in the fact that today the libraries are \$ 1.35 million dollars per year short of funding the *same* library that they funded in FY97 (see appendix D). The libraries' record of pursuing strategies to manage the cost structure as well as it can be managed is not being matched by our other sponsors.

The strategies that we identified within the libraries are numerous. The library has managed the transformation to electronic resources with sophisticated policies that maximize the speed of conversion without sacrificing the safety of the collection. The library has pursued several joint purchase agreements, particularly through the USMAI libraries, although such agreements are often constrained by anti-trust restrictions. Purchases are managed through pre-payment, profiled approval plans, and other arrangements that earn per item discounts. Furthermore, policies outline active processes of reallocation that update acquisitions as fields of study and the university's priorities change. The effort of the libraries to maximize savings in a way that is consistent with their mission appears to the ULC to be substantial.

In sum, the ULC's investigation affirmed:

- The principal problem in the current crisis is the failure to adjust the funding in the face of great inflation in publishing.
- This problem is made more severe by decades of insufficiency in funding the libraries' collections at rates comparable to research libraries at public universities such as our peers.
- The problem has reached a critical point in which the viability of UM libraries as a research facility is at risk.

After extensive investigation, perhaps the most thorough external investigation in decades, the ULC is generally satisfied that the library has been a good steward of resources in this time of crisis.

### ***Section 3: Recommendations to address the materials crisis***

In moving to recommendations to the libraries, two observations form a context for our work. First, even though we applaud the stewardship of the libraries over the acquisitions process, we did find places where we believe current policies are not bearing their full fruit and places where

we believe changes in policy are appropriate. Second, we recognize that during the length of time required for a thorough review such as ours, the acquisition decisions at the library do not stop. Therefore, we have divided our recommendations into those for immediate implementation to meet the current crisis and those that have a longer term impact and that we expect to be implemented in FY2010 and FY2011.

#### Current Recommendation 3.1

The erosion of the materials budget over the last few years has restricted the university's acquisition of new products, particularly electronic resources. The ULC recommends **that the libraries take deeper cuts than are required by the FY09 budget to permit greater reallocation of funds toward additional purchases, subscriptions, and licenses.**

#### Current Recommendation 3.2

The ULC considered the role of aggregators (databases that collect journals and provide indexing to their inventory) as a substitute for subscriptions to individual journals. When the university licenses an aggregator it does not acquire the content of the journals, only temporary access to them. Thus, the vicissitudes of the aggregator's contracts with journals in future years determines the university's archive. In short, the university loses control of the journal archive and cannot assure an archive of content for its investment. In addition, typically journals will embargo current issues in their contract with the aggregator, thus denying the most current research to our researchers. On balance, the ULC believes that access to journal content *only* through aggregators presents substantial disadvantages to a research library. Such aggregators should be exploited primarily for their search capabilities, even with the full text access they may coincidentally provide. Nevertheless, when making decisions about journals to cut from the libraries subscription lists, availability from an aggregator may properly influence decisions on particular journals. The ULC recommends **that the libraries compile and provide to decision makers in the serials process, including departmental liaisons, information on current aggregator journal access. This information should be accompanied by explanation of the limitations of aggregator access.**

#### Current Recommendation 3.3

The ULC reviewed the "pay-per-view" (PPV) option offered by some publishers. Under this option the university does not purchase the archive for the journal in a subscription, but licenses access to the archive on a per-article basis. The difference between the PPV option and acquiring an article through interlibrary loan is seamless to the user, unless the PPV option is available electronically in real time. In the latter case the PPV option and normal subscription access are seamless to the user. PPV also has the drawback of the university not owning the archive, thus continued access to the material depends on the continued availability of PPV from the publisher. Thus, the PPV cost is cumulative over years, so quantifying savings can be difficult. The ULC is concerned that the use of the "PPV" label not mislead users (see Appendix A.1). Nevertheless, PPV ought be pursued either as a direct access strategy or as an ILL strategy if it saves money. The ULC recommends that **collection management design a limited experiment to test the economics of true pay-per-view.**

The ULC intends that the libraries should implement the three recommendations above as soon as possible, including for FY09.

#### Recommendation 3.4

Generally, the response to budgetary constraints has been an annual assessment and response in collection management. We believe that the current crisis is severe enough that this horizon is no longer appropriate. Thus, **the ULC charged collection management to develop a multiyear plan for addressing the crisis and present it to the ULC in Fall 2009 for review and recommendation.**

#### *Section 4: Analysis of present library collection decision policies and infrastructure*

The ULC considered a broad range of current policies and processed a number of proposals to alter them (See Appendix A and below). Generally our approach was to be critical of these policies, to understand the reasons for them, and to see if they were meeting their objectives. We recognize that libraries have a responsibility in tight budget times to maximize return on the collections dollar in every way they can. But we also recognize that libraries also have a stewardship imperative that goes beyond current funding and is continually cognizant to the responsibility of a library in a research institution as an ongoing resource for the accumulation of knowledge. In short, library materials expenditures are not simply for consumables but also are an investment that must be maintained and grown to serve the university's future. We believe that the current collection policies demonstrate the balance required between prudence of expenditure and responsibility to maintain a research collection. We believe, however, that there are substantial problems with the infrastructure that implements those policies. We therefore recommend **immediate priority in collection management, and in central library administration where required, to the infrastructure supporting acquisition policies.**

#### *The Structure of Acquisitions*

Generally, the acquisition of material falls into four categories. These are treated differently in policies and have different decision structures. Those decision structures involve in some way four influences: (1) defined policies, (2) the central collection managers of UM libraries, (3) the selectors assigned to various academic disciplines, and (4) the users represented most prominently by liaisons to the library in each department or college.

- 1) Books and monographs. The bulk of purchasing in this category is made through a profiled purchasing plan. This structure saves considerable cost to the library and avoids a labor intensive book selection process. Exceptions, books or monographs falling outside the plan or rejected under the profile but still needed by users, are supported through budgets for departments
- 2) Journal and periodical subscriptions. The bulk of subscriptions for journals are managed through a process that identifies subscriptions with particular academic departments or colleges. (A small number of subscriptions are managed as "general interest.") A well

developed process of triennial review provides for reallocation of these funds within departmental lists. There is no distinction within this process between electronic and paper journals. Migration from paper to electronic access to journals is governed by defined library policies.

- 3) Electronic Databases. Today these fall into two general categories. The first make material formerly in print available in electronic format. Typically these products enhance the search and indexing capabilities in using the material. The second are new products that accumulate electronic material under a single search capability. Notable in this last category are journal aggregators that make many journal titles available with overarching search capabilities. The journals included in these arrangements are under license to the aggregator and cannot be controlled by individual libraries. Decisions on databases are centralized in the library. This arrangement seems appropriate because of the high cost and interdisciplinary content of such databases. Review of these new products has been managed in the past through a “big ticket item” competition, but that has been suspended recently because of the lack of funds to support new high-cost purchases. Collection management is currently conducting a review of aggregators to assess duplication of content with an eye toward cancelling expensive databases that do not justify their cost with unique material.
- 4) Standing orders, serial publications, and occasional monograph series. These are managed within the processes employed for journal and periodical review.

The ULC reviewed this structure and policies that support it. The council notes that the libraries articulate a philosophy that, to the extent practical, decisions on collections should involve the academic units most closely related to the subject matter of a portion of the collection. We endorse that philosophy. But we also identify some weaknesses in the infrastructure supporting that philosophy and in its current implementation.

#### *Books and Monographs*

We have no recommendations in terms of the current process in books and monographs. The combination of profiled purchase with a flexible supplement process seems to balance efficiency and the quality of the collection. We do note, however, that the viability of the system supplementing the profiled purchase with a user-sensitive budget depends on the robustness of user input processes. Our analysis and recommendations below point to weaknesses in that system that need attention.

#### *Journals and Periodicals, print and electronic*

We spent considerable time and effort on the process through which journal and periodical subscriptions are cancelled and reallocated. That process continuously reallocates scarce journal resources towards the needs of the various academic disciplines established as priorities by UM. The process, when it functions well, provides consultation with users in shaping the collection. At the same time, our analysis indicates the potential for two undesirable side-effects that would

deserve attention: (1) Cross disciplinary research is disadvantaged; and (2) Currently no mechanism for redressing disparity in depth of cuts across disciplines.

#### Recommendation 4.1

**The ULC recommends that the libraries develop a method for assessing these two side-effects of the current process, and explore options to address the problem.**

Beyond these side-effects, the ULC also identified a series of weaknesses in the implementation of current journal review policy that are tied to the infrastructure for that process. (See Appendix B). We list these here:

- The quality of consultation with users depends on a liaison system that has not been upgraded at this point in response to earlier reviews and plans. Through one of its subcommittees the ULC has expressed dissatisfaction with the lack of urgency to this point in addressing fundamental weaknesses in the liaison system. (see Appendix C)
- The process lacks intensive and uniform training of faculty contacts that are to participate in this consultation. Current training relies on the decentralized contacts between selectors and departmental liaisons, a system that is uneven at best.
- The terms of the expectations in the library and among the faculty about departmental involvement in the process are unclear. Certainly selectors bring expertise that faculty do not have, and faculty bring a knowledge of needs of their department's research and teaching that the libraries do not have. Is the relationship one in which the selectors will make decisions with input from faculty? Is it a joint decision making process between libraries and departments? Are faculty to be participants at all in the decision or merely data-points with a role similar to data on usage, inflation, price of serial, and so forth? Roles need to be clarified.
- The criteria that should guide decisions are not clear, and where those criteria are chosen is not clear. Should academic units be in on this process? Partnership? Is the development of criteria the domain of centralized collection management?
- Consultation with departments after lists of discontinued subscriptions have been compiled is flawed. The length of this list alone is a barrier to effective consultation, and the time provided has to be sufficient to allow reasoned decisions.
- Usage data available in this process, while seemingly improving, do not appear to rise to the quality commensurate with a high priority in decisions about serials. There is widespread distrust of these data and confusion about its robustness does not provide an endorsement for their use. This problem leads to flaws in other statistics as well such as a "cost per use" figure. Usage data seem in theory to be useful, but the libraries either need to work to improve these data or recognize that they are insufficient for decision making.

An attitude that “this is the best we can do at this time” is corroding of the integrity and legitimacy of the serial selection process.

Where in other times these flaws might be tolerated, these weaknesses simply must be addressed by the libraries because cuts now being made are eroding collections in fundamentally corrosive ways.

Recommendation 4.2

**Clarify the philosophy, expectations, and roles of academic units and selectors in making decisions about collections.**

Recommendation 4.3

**Establish better training for faculty in departments involved in the process.**

Recommendation 4.4

**Clarify criteria that should frame decisions and the methods by which such criteria may be evaluated and altered.**

Recommendation 4.5

**Develop a realistic calendar for annual decisions that respects faculty input and permits sufficient decision timetables within the library. That timetable should recognize reduced faculty availability over the summer.**

Recommendation 4.6

**Study and make recommendations for ULC review of ways to expedite the second round of review (following the identification of journals for elimination from the subscription list). The objective of this review should be to provide manageable processes to permit input from departmental liaisons in the process.**

Recommendation 4.7

**We recommend an intensive review of the data profile provided to liaisons in making decisions. This includes realistic assessment of the quality of the data and communication of the reliability of the data to those involved in decision making. The purview of such a review should include ways to strengthen data. This review might be best implemented by a task force composed of management, library selectors, and departmental liaisons, and it should make a report to the ULC.**

### *Electronic Databases*

There is probably no place within the materials budget where the impact of the budget problems has been felt as severely as in electronic databases. These are often expensive to license (the library calls them “big ticket items”). In addition, the problem with these is not simply inflation in licensing fees but also that new products are always coming on the market that return value but for considerable expenditure. In times of budget crisis, the dimensions of these expenditure



demands erodes other collections more rapidly.

The ULC acknowledges the libraries' current effort to review aggregators for duplications that may lead to cancellations of licenses. In addition, we have acknowledged the need to examine the importance and value of new products in recommendation 3.2.

Database decisions are made above the departmental level. We do not see that this should be any different. But we do believe that effective methods of discerning research needs for these databases are important to the decisions on these databases.

*Standing orders, serial publications, and occasional monograph series*

Because the process for these publications parallels that for journals and periodicals, our observations about weaknesses in the infrastructure of that process address this process.

***Section 5: Conclusion***

The general result of the ULC's review of the current materials budget is a sense of the inadequacy of current funding and a general appreciation for the careful management of that budget by the libraries. Yet, with no prospect for improvement in funding in the near future, even limited flaws in the decision making process become important in maintaining the collection. We sense a turning point has been reached where over the next few years current practices and policies are going to be reviewed to insure that decisions are as sound as possible. We hope the libraries will consult the ULC regularly during that review.

At the same time, we repeat that it is imperative that the university administration work to provide funding for library materials consistent with the university's role as a research institution. We note that over the last two years provosts have granted the materials budget exemption from some of the severest of the budget cuts suffered throughout the institution. This exemption has helped in the short term. Yet, a sound collection for a major world-class university library will require that the evolving policy and procedures of the library be supplemented by attention to the structural problems in funding the libraries' collections.

Recommendation 5.1

**We recommend that, in addition to consultation on specific recommendations indicated above, the libraries return to the ULC no later than Spring 2011 with a comprehensive report on the implementation of these recommendations.**

Approved by the University Library Council, July 2008