

LIBRARY COMMITTEE
MINUTES OF MEETING

November 10, 2010

Morrill Hall room 238A

[In these minutes: committee business; budget overview and FY12 budget planning]

[These minutes reflect discussion and debate at a meeting of a committee of the University of Minnesota Senate; none of the comments, conclusions or actions reported in these minutes represent the views of, nor are they binding on, the Senate, the Administration or the Board of Regents.]

PRESENT: Neil Olszewski (Chair), Wendy Lougee, Danielle Tisinger, Michael Hannon (for Joan Howland), David Zopfi-Jordan, Monica Howell, J. Woods Halley, Joseph Spanjers, Ronald Hadsall, Jonathan Binks, LeAnn Dean, Bill Sozansky, Michelle Englund, Mary Beth Sancomb-Moran, Elizabeth Fine, James Orf, David Fox, Robert Muellerleile, Vicki Graham

REGRETS: Owen Williams, John Logie, Bradford Clemens

ABSENT: Jennifer Alexander

Professor Neil Olszewski called the meeting to order and welcomed those present. He asked the committee members to introduce themselves, and he outlined the agenda.

Budget Subcommittee

Professor Olszewski explained that at the October Senate Library Committee (SLC) meeting, Professor J. Woods Halley introduced a motion to establish a permanent budget subcommittee; however, there was insufficient time for the SLC to consider the motion. The committee was provided with a draft charge for the budget subcommittee prior to the November 10 meeting. Professor Olszewski called for discussion on whether it was advisable to establish a permanent budget subcommittee. Professor Halley observed that the University Libraries is a large organization and it is a challenge for the SLC to understand it in a few meetings per year. It would, therefore, be beneficial to have a few members of the committee who can focus on the Libraries' budget. This group could provide knowledge of the budget independent of the information provided by the Libraries' staff, and bring issues of concern to the full committee. Additionally, he stated many other like committees have budget subcommittees, and it is the SLC's charge to advise the Libraries.

Bill Sozansky asked if the potential merger of the SLC and the Senate Information Technology Committee (SCIT) would have any impact on the question of creating the budget subcommittee. Professor Olszewski responded that he did not yet know the SLC member's views on the proposed merger, but that he did not have a lot of enthusiasm for the merger. Also, it was his understanding that the SCIT did not favor the merger.

LeAnn Dean expressed concern that the creation of a budget subcommittee would adversely impact the workload of the coordinate campus libraries, and require them to create additional budget reports. Professor Halley responded that the creation of the budget subcommittee was not intended to increase the workload of the Libraries' staff. Professor Jim Orf, who was on the temporary library budget subcommittee last spring, noted that the subcommittee's requests for information did create additional work for Libraries' staff. And, he believes the focus of the SLC should be on Libraries' policies and programs, and broad considerations of which areas of the Libraries need more resources and which should be smaller. Professor Woods explained that he is only talking about data familiarity and this is necessary for deciding how to spend or cut from the budget.

David Fox noted that with potential cuts to the Libraries' budget it is an important time for the SLC to have a good understanding of the Libraries' budget. Vice President Richard Pfutzenreuter overheard the committee's conversation and interjected that the State of Minnesota asked the University to propose what it would do if there were five, ten, or 15 percent cuts to the state appropriation, but that does not translate into "central" requesting departments to cut their budgets by those amounts as there are other funding sources in addition to the state appropriation. Ms. Lougee asked Vice President Pfutzenreuter if any other governance groups review budgets? He responded that Finance and Planning looks at the overall shape of the budget, but it does not dive into the details of the budget.

Professor Olszewski stated it is important for the SLC to understand the budget, but it should be in the context of the work of the SLC. He believes that if the committee needs budget information on a particular area they can request it from the Libraries' staff. He did not think it necessary to establish a permanent budget subcommittee that continually needs to be staffed. Professor Halley responded that the trouble with this approach is that the information is piecemeal. He further clarified that he is not proposing budget review, just more expertise by some committee members. Professor Orf indicated that in his experience on the library committee, the Libraries director has regularly provided the SLC with budget information, and that it is important for the full committee to be informed about the budget. Professor Michelle Englund asked if the SLC has historically approved the budget or given advice regarding it, Professor Orf responded that the role of the committee is to provide advice on the Libraries' budget and the head librarian takes the committee's advice into consideration. Ms. Lougee stated that every year she brings an overview of the budget and compact and questions for the committee to consider regarding priorities and trade-offs. She further stated that the committee has written letters offering counsel on the Libraries budget. Professor Halley stated that the intent of the subcommittee is to be informed in more depth. So, that there is an informed subgroup that is not in the line of management. Professor Fox stated he did not believe providing in depth advice on the budget was within the scope of the committee's charge. Professor Olszewski called for a vote on the motion, and the committee voted not to establish a permanent budget subcommittee.

Committee Themes and Agenda

Based on the committee's suggestions at the October SLC meeting, Professor Olszewski compiled a list of ten themes. He provided the list to the committee, and asked members to identify one or two items to focus on at upcoming meetings. Many committee members identified issues of open access to scholarly journal articles as their top priority. However, committee members expressed differing ideas about what this encompassed, and what action the SLC could actually take on open access beyond the recommendation made to the FCC last year. Jon Binks stated he would like the committee to keep abreast of the national movement toward making scholarly articles available in an online library, and the University's efforts in this area. He also would like the committee to have discussions on the copyright implications of open access, and the potential impact on scholarship.

Professor Orf mentioned the National Science Foundations (NSF) requirements for data reporting and the necessity of a data repository for faculty. Ms. Lougee responded that she had spoken with the Senate Research Committee about NSF's requirements for data management planning. Some discussions are underway on campus relative to shared storage: the Libraries may have a role in this.

Professor Elizabeth Fine indicated she was interested in issues of digitization and open access. Monica Howell asked the SLC to consider ways for providing graduate students with information about open access and how it impacts their research. Professor Olszewski stated that open access would change the Libraries' environment and impact its work and function. And, it is important to better inform the University community about these changes. Professor Fox suggested that the SLC make a recommendation to the University that it use open access resources. Ms. Lougee noted that open access is an institutional policy not a Libraries' policy, but it would be useful to do more outreach through periodic updates.

Ms. Lougee also indicated that she would like the SLC's feedback on the suite of issues involving the Libraries' lack of space. Examples of these are the growth of collections, deterioration of existing collections, shared storage, and digitization. She would also like the committee to consider the impact of the budget reductions on the Libraries and collections, and resource sharing and copyright implications.

Several committee members expressed an interest in the topic of strategic planning for the Libraries. Ms. Lougee stated that the Libraries in conjunction with other academic units had recently created a report process for strategic directions, and the Libraries had brought in several experts to speak on critical themes. This work resulted in a report on strategic priorities for the University Libraries that she would bring it to the committee for its feedback next month. The committee members agreed that it would be important to consider the strategic plan.

University Libraries' Budget Overview

Next, Ms. Lougee gave a power point presentation of the University Libraries' budget. She asked the committee to focus on the trade offs and tough choices that the Libraries must make in light of the stringent economic times. She began her presentation with an

overview of the budget model and process. She explained that cost pools submit a budget and biennial compact in the fall and colleges submit one in the spring. These document priorities for investment and significant financial concerns, and respond to budget model requirements. Cost pools' budgets are "attributed" to colleges based on the relevant metric such as consumption (energy), identified cost driver (grant income), and common goods (some information technology services). Professor Halley asked for an explanation of "pushing out" cost pool budgets to the colleges. Ms. Lougee responded that the colleges directly receive all revenues. Cost pool budgets are charged proportionally, based on a metric, to the colleges. She went on to state that the Libraries recognizes that true cost attribution by college is not possible so it uses weighted head count as a surrogate metric. She reviewed the slide titled "College Weighted Headcounts" and noted that the Libraries pay for other cost pools too, including Libraries' charges for staff who are faculty or graduate appointments. Ms. Lougee next reviewed the Libraries FY11 cost pool elements and highlighted the three stages of building the cost pool:

1. FY10 operations and maintenance figure of \$36,236,413 (the Libraries' operating budget),
2. Charges associated with consumption (utilities and debt services), and
3. Other cost pool charges attributed to the Libraries budget (UM admin units, technology, facilities, research, library).

The total Libraries' budget charged to colleges is the sum of these three stages (\$50,000,000), while the Libraries' actual budget is \$36,000,000. Ms. Lougee noted that many people believe that the \$50,000, 000 is all part of the Libraries' budget, but actually only \$36,000,000 comes back to the Libraries in allocation.

Ms. Lougee next discussed the FY11 operations and Maintenance (O&M) budget distribution. Salaries and collections are the largest part of the budget comprising 93%. There is a very modest infrastructure allocation of seven percent. The FY11 expenditure budget breaks out as follows:

1. 38% Collection Development
2. 18% Academic Programs (programs in support of non-health science disciplines)
3. 18% Access Services
4. 10% Administrative Units
5. 09% Information Technology
6. 07% Health Sciences

Ms. Lougee also discussed the FY11 collection budget distribution. She highlighted the differential costs by discipline and noted that publications in the sciences were more expensive than the arts and humanities. She then turned to recent budget reductions. She stated budget cut in FY11 was more modest (\$300,000). The Libraries' costs for the 27th pay period were offset by temporary reductions in pay and the furlough. The cost pools are being instructed to model three and five percent cuts for FY12-13. These cuts are being placed in the framework of the University and Libraries' strategic goals.

Next, she explained the context of the Libraries' budget with particular emphasis on its challenges and constraints. She stated the Libraries have no flexible space to consolidate

facilities and collections, publishing has a six to nine percent annual rate of inflation, there is decreased net revenue from income services, and there is increased investment in collaboration. Additionally, the Libraries' staff are comprised of continuous appointment P&A, civil service and bargaining unit employees.

She stated that after receiving their budget instruction, the Libraries identified four broad areas for further data analysis, exploration of options, and modeling, and she would like SLC input in these areas. They are:

1. Collection development,
2. Collection access and control,
3. Services configuration and sustainability, and
4. Technology and equipment infrastructure.

She noted that she alerted the Provost that it would be difficult for the Libraries to continue to protect collections from budget cuts. She indicated one area for exploration was cutting online indexes that were somewhat duplicative of other discovery services and that would save about \$400,000. She also asked the committee if it believed the campus would tolerate aggressive contract negotiations with publishers that could result in access being suspended. Committee discussion followed. Bill Sozansky noted that increasing journal acquisition costs makes the impact of the budget cuts worse. Ms. Lougee noted the difficulties involved in a consortium of universities working together to negotiate with publishers. She further noted that if collections were not trimmed there would need to be further reductions in staff budgets.

Ms. Lougee next discussed issues around collection access and control such as:

1. Priority for rare/unique collection cataloging,
2. The degree of risk acceptable in managing journal subscriptions, and
3. Catalog record revisions and synchronization with international databases.

She noted a lot of staff time is spent in recording when journal issues are received (nor claimed not received). If this were not done there would be savings, but also risks in inventory control. Likewise, she noted the time intensive nature of maintaining the databases that record the University's journal holdings and the risks in discontinuing this. Professor Fox stated that these are steps to manage the degradation of the quality of the Libraries' system.

Ms. Lougee and the committee also discussed service configuration including:

1. The sustainability of sites/hours
2. Facility access options
3. Sustainability of article and book delivery services
4. Viability of mediated or special format copy services
5. Availability of reference assistance

Ms. Lougee stated the 14 libraries are being reviewed and the importance of sustaining each site is being considered. Other service configuration considerations include closing entrances (where multiples exist for a site) so that they do not need to be staffed and decreasing the availability of reference assistance. Professor Haley asked about the frequency of reference assistance use. Ms. Lougee responded that there is a downward

trend for in person services, but online services are increasing in volume and are available 24/7.

Professor Fox noted that space limitations prevent consolidation of St. Paul branch libraries into the St. Paul Magrath Library. Ms. Lougee responded that the Libraries proposed a hybrid consolidation of the Entomology/Fisheries/ Wildlife Library and the Forestry Library where one facility would be used for consolidated, lower-use collections, and the other would be for higher-use collections and a combined service point. The library staff would then “page on demand” for any lesser-used materials. This, however, has not been an acceptable solution to some of the departments served.

Professor David Zopfi-Jordan asked if it was in the committees’ scope to recommend funding for the Minnesota Library Access Center to have another cavern built. He noted the original plan was for three caverns but because only two were built, the Libraries are now renting storage facilities. Ms. Lougee indicated the storage issue is complex and a new cavern is unlikely. She would like the committee’s feedback on issues of space and collection availability.

Ms. Lougee stated one strategy for consideration is investing in back volumes of journals in digital form and relying on other institutions for print volumes. This may be a way to free-up shelving space. Professor Fox responded that the print form is not needed, and the digital form is time saving. Professor Danielle Tisinger noted that this has implications on whether or not to catalog. Professor Fox asked if other institutions are moving to digital. Ms. Lougee responded that the University of Minnesota is on the forefront, but most research libraries have made significant investments in digital journals and now books. The CIC will be discussing shared storage for science, technology, and medical print journals for which digital equivalents are available.

Ms. Lougee concluded her presentation with a brief discussion of infrastructure targets for exploration such as reducing the number of public workstations in libraries and sustaining equipment for microform readers and printers. Professor Fox noted that the user data on library workstations indicates that they are heavily used. However, if the workstations are not available, individuals will get used to bringing their laptops with them and using them instead. Ms. Lougee indicated she would like to continue the discussion on resource shifts with the committee at its next meeting.

Professor Olszewski asked the committee to continue considering agenda items, and stated the SLC would take up the proposed merger of the SLC and SCIT at the next meeting.

Hearing no further business, Professor Olszewski adjourned the meeting.

Dawn Zugay
University Senate Office