

MU Libraries – FY17 Collections Budget — March Update

March 8, 2016

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Recent communications to Department/Program Chairs:

- [03/07/16 – Communication from Interim Library Director and Chair of the Campus Library Committee](#)
- [02/19/16 – Communication from the Chair of the Campus Library Committee](#)

Key facts & assumptions:

1. The MU Libraries will need about \$7.3 million to meet our expected collection expenditures in FY17. Our expected revenue (or budget for collections) is \$6.3 million. Thus, our worst case scenario for FY17 is a shortfall of 1 million.
2. The Libraries hope to identify additional funding, but how much can be found is uncertain. Once we know the reality of the budget for FY17 it is very likely we will be asking for additional input from faculty and students.
3. Solving the budget for next year will not address the need for future increases. At present, approximately 80%, almost \$6 million annually, of the Libraries' collection budget is spent on continuing subscriptions. Most is spent on access to scholarly journals; some on database subscriptions and other continuations. Average annual price increases on subscriptions is 6% to 7%.
4. The Libraries will continue offering efficient, cost-effective Interlibrary Loan services.
5. When new sources of funding are identified, the Libraries will work with the campus community to re-build the collections.

What needs to be done now?

As indicated in the assumptions, the Libraries are beginning to prepare for the worst case scenario that would require us to reduce our collection expenditures in FY17 by \$1 million.

What the Libraries can do now is prepare to negotiate pricing for our two largest journal packages. New contracts with Elsevier (current spending is over 1 million) and Wiley (current spending is over \$750,000) will need to be signed by January 2017. Together these two publisher journal packages represent approximately 30% of our collections budget. **Knowing the final numbers on the cost of these two packages could have a significant impact on what other decisions the Libraries will need to make about the budget in FY17.** In order to negotiate the best possible packages for Mizzou, the Libraries are asking for input from faculty, students, and staff on the importance of the titles in these packages.

You will often hear journal package deals referred to as “journal bundles” or “big deal contracts.” Discounts on bundles are based on the titles declared as most needed by our institution. Access to lower priority titles that an institution did not “select” is often included as part of larger deals. Libraries are also rewarded for signing multiple year deals, usually with an agreement by the publishers to keep annual price increases at a specific percentage for the period of the contract. **All this is to explain that reducing the number of titles in the package does not necessarily result in a cost savings.** The negotiation process is generally long and complex. Knowing what titles are essential for our institution provides the Libraries with information needed to conduct effective negotiations.

Proposed calendar for the journal package review:

March 7, 2016 — Information about the process will be available on the Libraries web site. Chairs will be notified about the review process and asked to share information with all faculty.

April 4, 2016 – Deadline for input on journal package review.

May 1, 2016 – The Collection Steering Committee will share information about the results of the review with the campus community.

May 16, 2016 – Deadline for questions and additional input.

Nov/Dec 2016 – Once contracts are signed, we will be able to share a list of titles not renewed. Subject librarians will be available to answer questions.

What do I need to do now?

1. [Login here to review the list of titles in the database that require input.](#)
 - a. Please read the legend at the top of the list.
 - b. The list can be filtered by subject if that is helpful to you.
 - c. Reviewers are encouraged to identify subject areas that have the most relevance to their research or teaching and indicate one of the following rankings:
 - i. Frequently used
 - ii. Sometimes used
 - iii. Rarely used, but important to me
 - iv. Not a high priority for my research/teaching
 - d. An option to comment is available for each title.
 - e. [Subject librarians](#) are available to consult about lists or specific titles.
2. We want to make every effort to keep titles that are the most critical to your work. Your input is essential!

How were these review lists developed?

1. Publishers Elsevier and Wiley account for about 30% of our subscription expenditures. We need to renew our contract with each publisher for this content by January 2017. Like most large academic libraries, we acquire many of our journals as part of “bundled” packages. Changes to these packages involve a lengthy negotiation process.
2. We were able to compile usage statistics of online journals in these packages and have removed from the review lists those titles that receive high use. Although usage is not the sole indicator of value, it is a starting point. Excluding high use titles from the review enables us to focus more attention on titles that appear to receive less use or have high cost per use.
3. In addition to the Elsevier and Wiley review lists, the Collection Steering Committee is including some additional high cost/low use titles in the review list that are not part of the Elsevier and Wiley packages. We believe it is a good stewardship of our funds to ask for input on these titles before renewing them for another year.
4. The Libraries have worked with the Campus Library Committee to develop this review process.

Why now?

1. Over the past decade, the Libraries have mitigated rising costs by:
 - a. Working with campus administration to increase funding. We have had several small increases to address budget pressures, but we have also had to cut in other areas.
 - b. Asking campus partners for one-time funding to meet the needs of a specific year. Most recently, the Department of Information Technology has generously provided one-time funding to assist with our current fiscal year shortfall.
 - c. Gradually reducing or eliminating costs in areas such as staffing (including reductions in positions and the elimination of merit raises), operations, and one-time collection costs for materials such as books.
2. Last year we asked our students to vote on a library fee. Despite significant support, the fee did not pass.
3. The Libraries' collection budget was not spared the 2% give back that is required of all but a couple of campus units.
4. The MU Libraries manage a shared four-campus collections budget of over \$2 million. We participate in an annual process to cut resources funded from this budget due to price increases. This year we will need to cut \$100,000. In some cases, individual campus libraries have had to cover the resources cut from this budget, creating additional pressure on the campus-level library budgets.
5. Budgets have been tight at Mizzou for many years. With limited sources of new funding, the university administration is finding it harder than ever to provide the Libraries with increased funding or one-time support to meet critical needs.

Some things to remember:

1. The Libraries will continue to dedicate staffing and resources to maintaining a robust and rapid Interlibrary Loan service.
2. Your [subject librarian](#) is available for consultation on any questions you may have about library services or collections.
3. Other institutions are facing similar challenges. See below for some additional information about collections challenges faced by academic libraries.
4. Innovations in scholarly communications, such as open access, are being explored by faculty in some disciplines. It is too early in the process for these to remedy our immediate situation, but the Libraries encourage you to learn about these innovations at: <http://libraryguides.missouri.edu/oajournals>.
5. The Libraries will continue to maintain faculty request lists. If funding improves, we will work with faculty to identify priorities for re-instating subscriptions.

Selected readings:

[Bergstrom, T. C., Courant, P. N., McAfee, R. P., Williams, M. A.](#) (2014) Evaluating Big Deal Journal Bundles. *Proceedings of the National Academy of Sciences of the United States of America*. <http://www.pnas.org/content/111/26/9425.abstract>

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