

University Libraries Budget Narrative

Part I: Fiscal Year 2008

The Libraries is appreciative of the university's funding support that once again allows us to meet the projected inflationary factor for the purchase of library collections. Faculty and students continue to obtain the core resources needed for various programs and disciplines, as a result of this crucial FY08 investment.

COLLECTIONS

In addition to the \$8.4 million dollars allocated by the Provost in FY08, the Libraries will spend an additional one million dollars from its endowed income for collections. Combined, these expenditures place us in the top half of our ARL peers in terms of materials expenditures,¹ and ensure that we meet faculty and student expectations. We look forward to the pending purchase via tech fee funds of the Endnote software, an important companion research tool identified as a high-impact request in last year's budget proposal.

COMMONS

The Libraries benefited also this year from the non-recurring funds that have enabled us, in partnership with the Office of Information Technology, to move ahead with our vision to transform the second floor of the Hodges Library into a vibrant, service-intensive space. As predicted, students and their parents who visit the library during orientation, appreciate not only the atmosphere, but also the opportunities provided in a single location to use current resources and technologies to study, learn, and collaborate.

As indicated in the progress report (Appendix A), the Libraries has met most of the goals set forth a year ago. The self study and 10-year academic program review highlighted not only our successes but also barriers to moving forward. The dean, in collaboration with staff and faculty, has responded with an ambitious agenda to right-size the operating budget and to put in place an organizational structure that will support 21st century users. Changes affecting the FY08 budget are noted below.

PERSONNEL SHIFTS

Funds from 19 FTE non-exempt positions, one administrative and one faculty line were reallocated to the operating lines. To meet the staff shortfall, we plan to merge or eliminate service points, to assess current processes and use the data to achieve efficiencies, and to redistribute staff and faculty to other high priority areas.²

¹ In FY 2005-06, Tennessee ranked 19 of 69 publicly-funded ARL libraries on the Total Library Materials expenditure. Compared to all ARL university libraries, Tennessee ranked 39 of 113. Calculated from Association of Research Libraries, *Table - Expenditures*, October 2008, <http://www.arl.org/stats/annualsurveys/arlstats/statxls.shtml>

² "There is a need for a more flexible budget model that enables predictable investments and the ability to address emerging needs... There is a clear and compelling need to act now on that restructuring to give coherence and predictability to planning.... The committee believes the Libraries should leverage the Commons capacity to better integrate existing library expertise and services. Such integration (and potential reduction in the number of service points in Hodges Library) would create a more coherent suite of services for users and also better utilize staff resources." *Academic Program Review Report*, September 2007, p. 4, 6.

Vacancies will not be held indefinitely. Additional dollars (reallocated from positions) will be needed to support anticipated increases in personnel costs. Without additional university funding, it will be necessary to redistribute funds from across remaining vacant lines to cover desirable and in some cases required salary increases, such as those resulting from the summer 2008 position reviews.

OPERATING STRATEGIES

We have budgeted \$766,000 in operating dollars for FY08. Supply recoveries (VolPrint and copier income) will raise the total expenditures to \$866,000, representing 5.2% of our total budget. While many of those costs are likely to increase in FY09 our intention is to budget the same amount and cover the shortages from restricted funds.

Some Examples:

We will choose to purchase only essential equipment and minimal supplies beyond those for which we receive reimbursement (copiers, printers).

We will rely on central funding for all faculty and staff pc/equipment refresh. The technology fee will be our primary means of support for equipment/software needed by students. Library faculty have not, to date, receive start-up costs so these, too, will be paid for from restricted monies (primarily PCs). We were able to reallocate some funds this year by eliminating a van (and its parking space) which we used for delivery of materials to faculty and graduate student offices. We will continue the service but divert another vehicle for this purpose. In FY08, more than \$150,000 will be spent for maintenance of software packages that run our catalog, our security gate system, and other equipment upon which we depend for daily operations and services. While subsidized, our port costs increased this year by approximately \$3000 when we transferred 60 computers from the lab to the Libraries' account. Presently, there are 555 ports charged to the Libraries budget (\$24,000 per year) which are in fact supporting student access.

We project earnings of approximately \$250,000 each year from non-collection endowments and annual gifts. In addition to covering shortfall that may occur in operating, we will depend solely on these funds for faculty recruitment expenses, donor events, cost-share commitments, and professional development. We may need to depend solely on these restricted funds if additional university diversity funds are not granted. The funds will provide support for a leadership development (succession planning) program and research incentives for long-term tenured associate professors in preparation for promotion to full professor.

CARRYOVER FROM FY08 TO FY09: A PIVOTAL OPPORTUNITY

In anticipation of the program review and a long-awaited plan to restructure the library organization to meet 21st century user expectations, the Libraries has not filled vacant faculty lines since January 2007. Coupled with the salary savings we were able to generate in vacant non-exempt lines, we have sufficient one-time funds to carryover 3% (\$495,079) to FY09. This strategic decision will allow us to move ahead with several of unmet goals for FY08. A portion of these funds, \$80,000, will be used to purchase four (only) self-service check-out units, which will allow our users to charge materials to their accounts without staff intervention. Technology to provide self-service opportunities is already in place in many of our peer libraries and, when used and located appropriately, can achieve more efficient utilization of staff over time.

The majority of the carryover funds, \$415,000, will be set aside to enable us to investigate the next generation library system and subsequently purchase a software package and servers. Newly emerging systems significantly improve user access to information by federating discovery over a variety of scholarly resources through a single search box, grouping results, and

employing other user friendly features standard in many research libraries. This software is already in place in several peer/collaborative institutions, including North Carolina State, Kentucky, and Vanderbilt.³

Part II: Fiscal Year 2009

A. Request for recurring funding in FY09:

As in FY08, most of our FY09 goals and, therefore, budget requests are in support of student retention, student success, and research.

COLLECTIONS

More than half of our FY09 budget will be used to support collections. We request base funding to cover projected inflation costs for materials. Industry projections are for inflation averaging 9% for serials and 7% for monographs.⁴

FACULTY, STAFF, AND STUDENT ASSISTANTS

Library faculty, who are experts in all university disciplines, are required to select and purchase these materials and, in today's world, leverage sophisticated systems to deliver them. As with teaching faculty, attracting those individuals, and the skills they bring requires competitive salaries for both entry level and experienced librarians. We also need to retain our meritorious faculty whose salaries are below the averages of their peers. University equity funding applied this year based on FY 2006 data helped to overcome some serious disparities, but we are still below national salaries.⁵

We also wish to provide adequate compensation for long-term meritorious staff whose salaries (even when combined with their longevity pay) fall well below the midpoint salary for their classification level. Progress made this year was negated by the increase in minimum level salaries implemented in July 2007.

In addition to equity for faculty and staff, we request funding to provide a 2% across the board hourly rate increase (\$0.20) for our student employees. The Libraries is one of the primary employers for our student population, spending almost \$550,000 to employ primarily undergraduate students. We rely upon many of these students to perform high level tasks and to manage service areas at night and on weekends. Raising student wages was an unmet goal in FY08.

Recurring funding is needed also for a personnel initiative that has served as a model for the rest of the campus. In June 2008, four of our non-exempt employees will complete the requirements of a career employee program. This is the third cohort group to complete this program during the last six years. It is our practice and commitment to add \$2000 to each individual's base salary in recognition of their accomplishments and competencies achieved over the course of two years. The impetus of this model program has motivated several of our non-exempt employees to

³ "Additional investments are required to bring greater coherence to the online environment...and to develop tools/systems that integrate library resources...into the workflow of users." *Academic Program Reviewers Report*, September 2007, p. 7.

⁴ www.ebsco.com/home/printsubs/priceproj.asp:
www.swets.com/web/show/id=637560/langid=42
www.ybp.com/book_price_update.html.

⁵ *ARL Annual Salary Survey, 2006-07*. Washington, D.C.: Association of Research Libraries, 2007.

complete their master's degrees in Information Sciences. While no final decision has yet been made, we are considering the possibility of discontinuing the program if central funding is unavailable.

Finally, four external faculty searches will commence in FY08 and another four in FY09. Additional plans are underway to fill one vacant exempt position in FY08 and two additional exempt positions in FY09, all to be funded from vacant non-exempt lines. One of these positions, an assessment coordinator, will not only enable us to identify, collect, and use assessment tools and data to measure the impact of various services and programs but also to consider and implement further changes in resource allocations. The second, a full-time budget officer, will support our need for more budget oversight and assistance to our administrators. Lastly, planning will begin soon on a partnership with the police department to provide a full-time police presence in Hodges Library. We feel a uniformed, armed presence is critical to the safety of our patrons and staff.

HODGES LIBRARY EXPANDED HOURS

We request recurring funding (\$8000) to support expanded hours (24-hour access in Hodges) for students on study days and during exams. There is sufficient data to show that students make productive use of a safe, secure, environmentally-friendly space during this time of year. (The Hodges 2007 fall exam period gate count was up 7% over fall 2006 although overnight usage dropped by 4%. (See high impact asking below for expanded first-floor hours).

B. Request for Non-recurring funds in FY09:

The Libraries' requests for non-recurring funds total \$1,452,000. Most of the funds are for critical facilities improvements and compact shelving which will be required to enable us to meet our long-range goal of storing materials and relocating collections.⁶

COMMONS

We request funds (\$165,000) to purchase furnishings in support of the current Commons spaces, specifically the Melrose entrance, Mary E. Greer Room, and Starbucks study space. We have postponed our FY09 plan to expand the Commons through renovation of Media Services, pending discussions with additional partners and reconfiguration of current service points. Naming the Commons (\$3-5million) remains a high development priority for the campaign.

HODGES LIBRARY FACILITIES

During FY08, we spent endowment income to make changes in or improvements to the Hodges facility. Approximately \$4,000 was allocated for blinds, \$13,000 for painting in non-public areas, and yet to come, a new entrance for the relocated Map Services area on ground floor (\$16,000). As stated earlier, we are unable to fund any improvements to any of our facilities in FY09 but hope to receive attention to routine facilities work from the University.

HOSKINS LIBRARY

We are not requesting funds for a storage building. Instead, over the next 3-5 years, we encourage the university to use its funding sources to initiate incremental facilities improvements

⁶ "Relocation of lesser used materials and/or weeding of print journal volume equivalents will free space throughout the library that can be repurposed for the quiet and dedicated spaces so urgently needed by faculty and graduate students [in Hodges]. *Academic Program Reviewers Report*, September 2007, p. 6.

in Hoskins Library. For example, a study completed in 2007 concluded that a relatively small investment (\$500,000) in Hoskins would contribute substantially to an improved environment for our rare and unique materials.⁷ We encourage the university to reconsider the use of any funds to repair the crumbling Kefauver wing and divert these to more important areas such as improving Special Collections stacks and reading room and the restoration of the reception hall and old reading room. We intend to invite other stakeholders in Hoskins to join us in creating a long-term vision for Hoskins that would bring together collections, researchers, graduate students, and scholars with inspiring spaces, research centers, and unique collections. Hoskins Library will remain our primary storage facility given adequate equipment and conditions.

C. One-time high impact requests:

We wish to request one-time funding to support a pilot program that will keep the first floor of Hodges Library open an additional 15 hours per week during fall and spring semester. Instead of closing this floor at midnight Sunday-Thursday, we would like to make the space available for quiet study⁸ until 3:00 a.m. Cost for staffing these additional hours with both Community Services officers and library employees will be approximately \$10,000. If approved, we will promote this service to students and subsequently collect data about usage to inform future decisions. We would also like one-time funds to enable the purchase of furnishings, including sound barriers that will contribute to a quiet study space. Over the next decade, as Hodges is repurposed to reflect growing dependence on digital scholarship and better accommodate users, an acoustical consultant will be needed to ensure we have planned accordingly for the wide range of individual learning and research needs.

Part III: Development Campaign Funds 2008/2009

Finally, the Libraries has met 53% of its campaign goal to raise \$15,000,000 in support of collections, services, and faculty/staff support. Naming opportunities for noteworthy spaces in Hodges, Hoskins, and branch libraries have been identified and described in the Libraries' case statement. We are increasingly dependent upon restricted funds in order to remain the intellectual hub of the campus.

A Conclusion

The Libraries' "quite limited resources" mean that the dean "has neither the number of librarians and staff nor the overall budget resources to develop the type of library organization that will be a strategic asset to the University's aspirations."⁹ Recent strategies to maximize the existing budget have included implementation of a comprehensive reorganization to more effectively address needs of 21st century students and faculty, the elimination of personnel lines to provide a realistic view of available operating funds, deployment of development funds to address unmet operating needs, a plan to fill high priority faculty and staff positions, and a funding strategy for next generation virtual library technical infrastructure. The FY09 Libraries' Budget Proposal contains funding requests for collections, facilities, and salary support not possible through the actions noted above.

⁷ NEH grant, "Stabilizing the University of Tennessee Special Collections," submitted October , 2006

⁸ "The committee notes that concern over the lack of [dedicated quiet study] spaces in Hodges was heard loudly across all communities of users and staff." *Academic Program Reviewers Report*, September 2007, p. 6.

⁹ *Academic Program Reviewers Report*, September 2007, p. 6.