BUDGET MODELS FOR FINANCING OF THE SHARED LIBRARY COLLECTION
Discussion Points for SLASIAC
2/21/03

1) The problem:
   a) Planning and budgeting for development of UC library collections is currently influenced by three factors:
      i) Continued growth in the cost and volume of scholarly publications, exceeding the normal capacity of the State to fund
      ii) Additional funding limitations imposed by the current state financial crisis
      iii) In response to these factors, the continuing strategic shift from purely campus-based collections to increased reliance on resource sharing and other collaborative initiatives, including development of shared collections
   b) Some characteristics of the UC collections budget
      i) Total 2002-03 (Library Materials + Binding, all budgeted funds): $63.7 million
         (1) Campuses: $58.2 million (91%)
         (2) UCOP: $5.5 million (9%)
      ii) Shared collection budget (including print subscriptions bundled with digital): $24 million (38% of total collections budget)
         (1) Campus - $18.5 million (77%)
         (2) UCOP - $5.5 million (23%)
      iii) Prospects for growth (exclusive of special limited Partnership provision to address historic shortfall):
         (1) Campus library materials budgets are supported by funds for enrollment growth and non-salary price increase, at discretion of Chancellors
         (2) UCOP library materials budgets are supported by non-salary price increase funds and special requests to the State.
   c) Conclusions
      i) Shared collections will continue to grow in size, scope and importance
      ii) Financial support for the growth of shared collections will increasingly depend on funds allocated to the campuses
      iii) It is therefore critical to examine current practices for financial support of shared collections and identify equitable financing models to support continued growth.
2) Issues for shared collection financial models
   a) Ease of understanding, maintenance, verification of data
   b) Equitable treatment of campuses, particularly as between growing and mature campuses
   c) Recognizing, securing, and equitably allocating the benefits of systemwide leverage
   d) Incentives for participation in and contribution to the shared collection
   e) Incentives for essential continuing campus investment in local collections
   f) "Free-rider" problems
   g) Balancing investments in print and digital
   h) Recognizing and capturing tradeoffs between operating and capital outlays
   i) Recognizing and appropriately addressing service quality and cost tradeoffs as between local collections, resource sharing, and shared collections