

Budgeting for reference material

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Reference? What is that?

When considering any budget allocation specifically for items to go into the reference collection, the first thing to determine is the nature of the reference collection itself. The contents of the reference collection will be particular to the individual library, its purpose and the patterns of use displayed by its patrons.

Some libraries place all volumes of a monographic series (eg. Word Biblical Commentary) on their reference shelves. Others will have the volumes distributed throughout the library on the basis of each volume's classification number.

Most libraries would include in their reference collection such staples as dictionaries, encyclopaedias, handbooks, bibliographies, etc.

How much did you say ????

The second issue in budget allocations for reference collections is the horrendous expense that can be involved. In 1998, the average price per volume purchased by my library was \$43.00.

In the list of reference books cited in the *ANZTLA Newsletter* of April 1999, (excluding the Routledge *Encyclopedia of philosophy*) the average price was \$80.00 – roughly twice the cost of the normal monograph. When you add the cost of the 8-volume encyclopedia, however, the average cost per volume jumps to \$184.00 or roughly four times the general average!!!

While some reference material may be cheap (eg. shorter works or essential works that have big print runs), the more expensive end of the range is sufficiently expensive to take the average price per volume well and truly above the average for the run-of-the-mill text. The relative expense involved in maintaining a reference collection is unavoidable and has to be accepted.

Magic formula?

The magic formula does NOT exist. Contacting a few major university libraries across Australia, I found that they do not have any effective, let alone objective, controls in place when it comes to budgeting for reference. The formulae they use relate to the allocation of funds to teaching faculties and departments based on the number/level of courses offered and full-time equivalent student enrolments. A number of them do, however, allocate a fairly generous percentage of their budget to "general" funds which are intended to cover general interest material, inter-disciplinary works and reference material.

A few years ago, I suggested that we should implement a budget allocation process in our institutions based on subject areas in which we teach. Such an approach facilitates relatively even (or at least managed) growth across the entire library collection. By making an alloca-

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tion for general/reference material we can at least try to put aside sufficient funds each budgetary period to cover our more obvious reference requirements.

Money for a rainy day

In an ideal world, all business managers and accountants would recognise librarians (in theological libraries at least) as particularly responsible people and graciously grant them whatever monies they asked for in the firm conviction that it would be wisely spent. In an ideal world!

Because reference items can be so expensive and also because the rate at which reference works are published or at which we find out about their availability varies so much, any amount allocated for the purchase of such resources during a financial period may prove to be inadequate. A few ways of addressing this problem are:

- **Accrual accounting.** While it is usually not advisable to underspend on your budget, you may be able to make an arrangement with your finance manager to consciously underspend for a number of years and have the balance remaining each year rolled over into a separate fund. In this way, a sum above and beyond the normal recurrent funding can be developed from which additional funds can be drawn to cover the cost of particularly expensive reference items.

It must be pointed out that this is a potentially dangerous path to tread. It is essential that the finance manager realises just why you are underspending and is regularly reminded that the library is planning wisely for the future rather being overfunded in the present.

- **Special funds.** In the event of bequests to the institution, it may be possible to have a deposit fund established with the interest made available to the library for purchases beyond the scope of its normal recurrent funding. Alternatively, a "Friends of the Library" group may be established with an annual subscription fee being used to establish and supplement such a deposit fund.
- ♦ **1 year ahead plan.** Rather than buying expensive reference resources as soon as you become aware of them, an alternative is to postpone expensive purchases until the next financial period. This allows you to budget normally for the following year and then add on to the normal recurrent funding an additional amount with particular reference works in mind. This takes a lot of the guesswork out of budgeting for reference, but it means that you'll never be the first kid on the block with the latest resource. Another advantage of this approach is that it gives you more time to evaluate new publications and compare similar publications before committing yourself to buying one or the other or both. Naturally, the postponement cannot be indefinite as, these days, so many titles go out of print so quickly.

Wisdom in selection

Another part of this session on reference resources has dealt with distinguishing between items that are considered essential and those that are desirable. The conference delegates were asked to compile a list of "essential" works. While there was some overlap in the lists compiled there was also an interesting diversity. Clearly, what is considered an essential ac-

quisition for a library's reference collection will be determined by the nature of the library and its owning institution, the profile of its user population and the ways in which the library is used.

Given that reference resources can be so expensive, it may well be useful to assess your need to purchase an item in terms of its likely level/frequency of use and its availability elsewhere.

- **Currency.** Some annual directories, for example, may list information that is relatively "static". Is it necessary to purchase such a directory every single year?
- **Duplication.** It is not unusual for several major publishing houses to produce very similar works – eg. Oxford University Press and Cambridge University Press. Do we need both? We may well but, if we don't, is it possible to enter an arrangement with a similar library in one's area so that each purchases just one and provides reciprocal access to both?
- **Accessibility.** In some cases, the cost of a publication (eg, a multi-volume encyclopedia) may be prohibitive. In this instance, it is worth checking to find out if any other library accessible to our users either has the work or intends buying it. Again, deals may be struck whereby two libraries collaborate to provide access to as wide a range of publications as they can jointly afford.

Conclusion

Reference resources can be very expensive. When it comes to budgeting for them, we must juggle at least two balls - that of financial accountability and that of the provision of optimum service.

Ultimately, what goes into a reference collection will be largely determined by local institutional factors but there certainly is not only scope but also a positive need for interlibrary cooperation in planning the development of their reference collections. The end of this cooperative effort should be the avoidance of unnecessary duplication and the provision of access to as wide a range of materials as possible (within the constraints of reasonable expectations in terms of timeliness and physical proximity).

Within the institution, it really is essential that we endeavour to forewarn financial managers of likely costs, be able to justify proposed expenditure and then work with them to devise ways and means of ensuring that adequate funds are available for purchases appropriate to the library's mission.

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***Be friendly and try smiling
more often!***

