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THE MANAGEMENT AND OPERATIONS

OF THE

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State of California
Department of Finance
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February 1972

THE MANAGEMENT AND OPERATIONS
OF THE
UNIVERSITY OF CALIFORNIA

Volume I: THE LIBRARY SYSTEM OF THE UNIVERSITY OF CALIFORNIA
Part II: Library Operations

State of California
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THE LIBRARY SYSTEM OF THE UNIVERSITY OF CALIFORNIA

PART II: LIBRARY OPERATIONS

INTRODUCTION

Part I of our study of UC libraries, entitled "The Development of the Library Collection" dealt exclusively with the collection itself. This part of our study touches upon the operations of the library--those functions which are performed to order material, to process it for use, and to make it available to the libraries' clientele.

This is an enormous subject, one which we could not treat in great depth. Hence, the words "touches upon", above, are appropriate to the scope of this part of our study.

Nevertheless, we feel that much is of interest in the following pages. Specifically, we believe that we have identified areas of opportunity for improvement, or at least focused attention on some already known to the University. If these opportunities are pursued with vigor, we believe that many of the problems spotlighted could be alleviated rapidly.

THE LIBRARY SYSTEM OF THE UNIVERSITY OF CALIFORNIA

EXECUTIVE SUMMARY OF FINDINGS, CONCLUSIONS, AND RECOMMENDATIONS

PART II: LIBRARY OPERATIONS

Introduction

These findings, conclusions and recommendations are our synopsis of the operations of the UC library system. They cover that portion of our study concerned with Blanket and Approval Orders (Chapter VI), Prices (Chapter VII), Technical Processing (Chapter VIII), and Library Services to Users--Special Problems (Chapter IX).

Major Findings and Conclusions

Blanket and Approval Orders

- . Finding: Under blanket and approval ordering, the individual campuses give guidelines for material selection to book dealers who select, for purchase by the libraries, all newly published materials which fall within the guidelines. Page 1.
- . Finding: Approval orders differ from blanket orders in that the former may be returned, while the latter must be retained by the library. Page 1.
- . Finding: Twenty-five to thirty percent of total library acquisition dollars are spent on books selected by dealers under blanket and approval plans. Pages 1 and 2.
- . Finding: These plans have many advantages to the libraries, primarily in eliminating the man-hours that would otherwise be required to identify, order, and pay for materials on an individual order basis. However, this manpower saving would be offset by increased acquisition costs and by manpower expenditures in cataloging, if blanket and approval orders result in the acquisition

of material that would otherwise not be selected. Page 2.

- . Finding: The selection criteria furnished by the libraries to the dealer are broad, and the dealer selection results in extensive intercampus duplication of material. Each campus receives a great deal of what is newly published in each area in which it maintains a collection. Page 9.
- . Finding: Only 10 to 15 percent of materials ordered on approval are returned. On at least one campus, it is more difficult to return than to retain. The costs of returning may equal the cost of the material. Processing backlogs may prevent comprehensive review of approval material before the return time limits are passed. Page 9.
- . Conclusion: Although approval orders appear to offer advantages over blanket orders, as now administered these advantages are slight. Page 9.
- . Conclusion: Under these order plans, the libraries have lost assurance that a large percentage of their acquisition dollars are being spent for materials of high utility, priority, and value to the scholastic and research users of library services. The University's extensive use of blanket and approval orders fosters interlibrary duplications and mitigates against the careful selection of library materials. Page 9.
- . Finding: UC librarians agree that book dealers impose a service charge averaging 5 percent on blanket and approval orders. Page 11.
- . Conclusion: This surcharge must be considered in evaluating blanket and approval practices. Furthermore, considering the volume of purchases, discounts which offset or exceed the surcharge should be feasible. Page 11.

Pricing Practices

- . Finding: Libraries are discriminated against by some publishers and dealers in the prices they pay, in requirements for extensive prepayment on serials, and through the publication of the same material in more than one form. Page 12-14.
- . Conclusion: The University has taken little action to eliminate these forms of discrimination; further, it has not used the combined weight of its extensive purchasing power to obtain the best prices possible. Page 15.
- . Conclusion: One reason for the apparent lack of concerted action to reduce prices and price discrimination is the autonomy individual campus libraries have in the acquisition of library materials. Page 15.

Technical Processing

Definition: Technical processing includes those functions of the library concerned with ordering and cataloging new materials and the attendant record-keeping.

- . Finding: There are huge backlogs in all UC technical processing departments. At UCLA, for example, there are backlogs of 116,000 and 140,000 volumes in acquisition and cataloging. Proportionate backlogs exist on other UC campuses. Page 19.
- . Conclusion: These backlogs are causing severe problems as evidenced by statements from UC librarians. They lead to processing duplications and inefficiencies, and equally important, hold already purchased work from student and faculty users. Page 19-20.
- . Finding: Because of the large amount of new material acquired, the search to see if the library already owns or has ordered material before it places a new order is an important function but one which adds considerable workload. Page 21.

- . Conclusion: Under existing practices concerning duplications at branch and main libraries, much of the effort expended in searching is of limited use. Page 22.
- . Finding: Blanket and approval orders, because of the mass of material they bring the libraries, add greatly to the cataloging workload and backlog. Page 22.
- . Conclusion: Much of the advantage of these order forms--that of getting newly published material to the library quickly--is lost because the material is stored for six months or longer waiting for Library of Congress cataloging. Page 23.
- . Finding: University Hall denies huge cataloging backlogs and states that at UCB, 75 percent of all monographic material is cataloged on receipt, of which 80 percent is already cataloged by the Library of Congress. Page 24.
- . Conclusion: The UCB material so cataloged is primarily retrospective material individually ordered, not newly published material ordered through blanket and approval orders. Page 24.
- . Findings: Gifts add to processing workload, and many gifts are stored with little prospect for processing in the foreseeable future. Page 24-25.
- . Conclusion: Although a sensitive issue, it is appropriate to question the wisdom of accepting gifts whose value to students and faculty places them in a lower processing priority than purchased materials. Page 25.
- . Finding: Serials, because of the multiplicity of paperwork involved, add heavily to the processing problem. This is a growing problem. The number of serials received by UC libraries in 1969-70 increased by 17,368 over the number received the year before. Page 25.

- . Finding: Despite the increasing workload caused by serials, there have been no finalized, systemwide attempts to simplify or automate the paperwork involved. Page 25.
- . Finding: The work flow of invoices is inefficient and contains several duplicate steps. Page 26.
- . Conclusion: While some individual UC libraries, notably UCLA and UCD, have taken steps to improve technical processing, these actions are limited, sporadic, and given a low priority. Page 27.
- . Conclusion: Much of the work of the technical processing departments lends itself to substantial improvement through the application of standard management and administrative technologies and through automation. Page 27.
- . Finding: Improvement activities are very limited. For example, there are few or no organized systems and procedures reviews, no manuals or guides, no use made of work measurement techniques, no formal training programs, no cost effectiveness studies, and no regular cost reduction or work improvement programs. Page 27.
- . Conclusion: While the University is aware that many technical processing operations lend themselves to automation, there are serious difficulties in the University's present approach. These include much duplication of systems development activities between campuses, a general slowness to achieve operational systems, and an apparent reluctance to use systems already developed elsewhere. Page 28-29.

User Related Problems

- . Finding: Backlogs apparently also exist in reshelving material for use. Page 30.
- . Finding: UC libraries have reduced the number of hours they are open for use. Many students, in complaining about this reduction, have blamed "the Governor's budget cuts." Page 31-32.
- . Finding: A statewide survey of UC library users conducted by the University reveals that very few would opt for a reduction in hours open, in lieu of other kinds of reductions. Page 32.
- . Finding: Extensive use is made of UC libraries by industrial and business concerns who pay no more for this service than the occasional user. Page 33-34.
- . Conclusion: This results in a large subsidy to the business community. It also creates an unrealistic basis for budgeting since libraries are budgeted on the basis of enrollment and outside users are not considered in calculating workload. Page 34-35.
- . Finding: Cresap, McCormick and Paget estimated that the University could collect an additional million dollars annually by increasing charges to outside users. The University never acted upon this recommendation. Page 33.
- . Conclusion: One reason the University has resisted recommendations to recover costs from large outside users is because any revenues so collected would merely offset state appropriations. Page 34.

- . Finding: The University states that they object to charging outside users for a number of reasons, including concerns that this would increase the workload of the public libraries. The University believes that its libraries are a public resource and that many taxpayers would complain about paying actual costs for using a library which they already support. Page 34.
- . Conclusion: It is a concept of good government to charge users for services, provided that the beneficiary can be identified, has the means to pay and is rewarded by private gain from these services. Page 34.
- . Conclusion: A policy question exists as to the charging of industrial firms and other noneducational organizations making extensive use of UC library resources. This question needs full consideration at top governmental levels. Page 35.

RECOMMENDATIONS:

8. We recommend:

- . That immediate steps be taken, on a universitywide basis, to curtail the use of blanket and approval orders, for the purpose of increased selectivity in the expenditure of acquisition dollars and avoidance of intercampus duplications. Page 36.
- . That consideration be given to the abolishment of all blanket and approval orders. Page 36.
- . That the blanket and approval order system, if retained, be improved through the development of a plan which, by sharing work between campuses, would allow a thorough review (a) of blanket materials before acquisition by more than one campus; and (b) of approval materials prior to final selection. Page 36.

- . That as a minimum first step, the blanket and approval plans of all campuses be reviewed together, in order to (1) minimize the acquisition of any material that would not have been acquired if a blanket or approval order were not in effect and to (2) curtail duplications. Page 36.

9. We recommend:

- . That the State and the University take immediate steps to reduce discriminatory price and publishing practices directed against its libraries. Page 39.
- . That a legal opinion about the legislative remedies which may be available be sought and that antidiscrimination legislation be introduced if necessary and feasible. Page 39.
- . That, where feasible, the prestige and purchasing power of the University be used to stop discrimination in pricing and publishing.

10. We recommend:

- . That the University, in an attempt to achieve price discounts, enter into negotiations with all dealers and publishers with which it does more than \$10,000 in business annually. Page 40.
- . That steps be taken, on a universitywide basis, to eliminate duplications of original cataloging between campuses. Page 40.
- . That in cases where these negotiations are unsuccessful, the university initiate discussions with other dealers to arrive at the most favorable prices. Page 40.

11. We recommend:

- . That UC libraries temporarily terminate all blanket and approval orders until cataloging backlogs are eliminated and until the reviews of these ordering practices (Recommendation 1, above) are completed. Page 40.

- That as a general practice, UC libraries delay purchases of newly published materials, except upon special, high-priority user request, until cataloged by the Library of Congress or until sufficient time has passed so that LC listing appears unlikely. Page 40.
- That the priority system for cataloging, as developed at UCSD, be improved as necessary and then implemented systemwide. Page 40.

12. We recommend:

- That a full scale systems and procedures review, using trained analysts, be performed of all aspects of technical processing.
- That particular attention be paid to opportunities for automation.
- That following a cleanup of existing processing procedures and practices, manuals and guides be developed and introduced on a systemwide basis, establishing standard procedures for all campuses. Page 41.
- That as a next step, a formal training program in the nonprofessional aspects of library processing be developed and instituted. Page 42.
- That a work measurement program, using industrial engineering methods to formulate the time allocations and reporting systems be developed on a universitywide basis for library technical processing activities, under the guidance of an experienced work measurement analyst or industrial engineer from within or without the University. Page 42.
- That the University consider adding to its central staff a small cadre of staff personnel, trained and experienced in disciplines such as systems and procedural analysis, industrial engineering and training to guide the developmental work recommended above and to carry out ongoing improvement activities. Page 42.

13. We recommend:

- That a realistic estimate of processing workload and man-hour requirements be made, following the systems improvements and acquisition curtailments recommended above. Page 43.
- That a concerted effort be made to eliminate current backlogs, even at the expense of the temporary addition of processing staff.
- That future library budgets reflect a mixture of acquisition and processing dollars which will allow newly acquired materials to be processed as received. Page 43.

14. We recommend:

- That consideration be given to not accepting gifts, unless they are (1) accompanied by processing funds or (2) comprised of materials whose ownership by the libraries is of a sufficiently high priority to student and faculty so that the gift will be processed without delay. Page 44.

15. We recommend:

- That UC take a more active leadership role in efforts to automate library processing activities such as searching, cataloging, processing and invoicing. Page 45.
- That intercampus duplications of automated systems development activities cease. Page 45.
- That UC investigate and give serious consideration to using automated systems already developed elsewhere. Page 45.

16. We recommend:

- That systems for providing library services to users receive the same study and consideration as was recommended for technical processing. Page 45.

17. We recommend:

- That each campus library remain open a minimum of 100 hours per week.

18. We recommend:

- That UC libraries should recover the costs of services provided to outside users who make substantial demands on its services.
- That this recommendation not apply to faculty and students of other higher educational facilities with which there is reciprocity.
- That, if UC adopts a system of charging outside users, the State should share the revenue so generated with UC. Page 46.

CHAPTER VI: BLANKET AND APPROVAL ORDERS

Introduction

One way in which UC libraries develop their collection is through the use of special ordering plans called blanket and approval orders. We will consider these two ordering plans first, because they have a large impact on both collection development (Part I of this report) and on technical processing (a major topic of Part II).

Definitions

Blanket orders are used to acquire newly published materials. Under this system, the ordering library provides guidelines for the selection of library materials to the supplier, for example, Richard Abel and Company, Inc. of Portland, a firm which is used extensively by the UC system. The supplier selects all currently published materials falling within the guidelines, for the libraries who automatically purchase all books so selected.

Approval orders differ from blanket orders in that the library has a right to return the materials ordered on approval within given time limits. UC system libraries return about 10 to 15 percent of the approval material they receive and pay return postage on this material.

Scope

UC libraries acquire a large amount of materials by blanket and approval orders. For example, Riverside spends approximately 28 percent (\$132,600) of its annual acquisition funds on materials so acquired. San Diego spends approximately \$140,000, or 29 percent of its annual acquisition budget. Santa Barbara spends 30 percent in this manner. For materials published in the United States, Davis and UCLA spend 17 percent and 12 percent respectively, and if foreign blanket and approval orders are considered, these libraries also may spend 25 percent to

30 percent of their acquisition funds for these kinds of material.

Materials acquired by blanket and approval orders, then, represent a substantial percentage of all materials bought; 25 percent to 30 percent of total acquisition dollars are probably spent under these plans.

Advantages

The UC library system is not unique in its acquisition of materials through these plans. Blanket and approval orders have become increasingly common in large research libraries. By using these ordering methods, libraries avoid the man-hours required to search laboriously through the listings of the many publishers, the need to make decisions about what newly published material to acquire, and much of the paper work involved in ordering. There are other advantages also. For example, the University of California has advised us that:

. . .these plans have untold advantages, including provision of time saving bibliographical records, binding services on some unbound orders, simplified billing and invoicing arrangements, and preference treatment on special orders from the same dealers.^{41/}

However, the advantages mentioned above may be offset if the materials so acquired are not selected with great care, through the purchasing and processing of low priorities material. Hence, we will explore next the University's guidelines to bookdealers for blanket and approval orders.

Guidelines

Despite the advantages enumerated above, the use of blanket and approval orders for a significant portion of collection development would not be justified unless the majority of the materials so received is needed to serve the libraries clientele. And, unless the guidelines given by the University to the bookdealer are quite restrictive and specific, these ordering plans appear to raise questions about the University's avowal that". . .All purchases are based upon academic need, with priorities carefully worked out with faculty members."^{42/}

To test the specificity of the guidelines, we examined those of several campuses. As an example, Santa Barbara's guidelines, or "Parameters of Approval scheme. . ." for its standing order with Richard Abel and Company, Inc., is shown in Table I, below:

TABLE I

"Parameters of Approval Scheme", UC Santa Barbara
July 1, 1966

Exclusions based on LC Classification

<u>Class of Material</u>	<u>Exclusions</u>
General Works	A exclude multivolume encyclopedias
Religion	BL exclude devotional, sectarian, bibles (except new or scholarly editions), pastoral, religious education
Commerce	HF exclude business, accounting and advertising HG exclude investment, speculation and insurance
Education	L exclude LT (textbooks)
Music	M exclude entire class
Fiction & Juvenile	PZ include only fiction which we believe will receive critical attention at the level of the Saturday Review or higher
Medicine	R exclude clinical medicine RK exclude clinical medicine
Nursing	RT exclude clinical medicine
Agriculture	S exclude all except farm economics, economic botany, exploitation and development of forestry, laboratory animals, camping and outdoor recreation
Engineering & Building	TA exclude all except building for architects TS exclude all except textiles, paper, history of manufactures, history of technology, furniture, guns, clocks
Military Science	TX exclude except home economics UV exclude practical military (manuals and the like)

Exclude first and second year college texts. Include junior year and above.

Include readers.

Include reprints of one to five volumes. These must be packed separately and marked "Reprints".

Include numbered series. If standing order is not now with Abel, UCSB will cancel their present standing order, and instruct Abel to start standing order with next volume.

Wyles' Fund will still get separate copies of all pertinent material, so we will supply two copies of these, one for regular approval and one of Wyles'.

Include art catalogs

Source: Letter from Richard Abel & Company, Inc., dated July 5, 1966.

UC Davis' Standing Order Approval Plan of March 16, 1971 to Richard Abel and Company, Inc., appears equally broad. It is reproduced below in its entirety:

March 16, 1971

TO: Richard Abel & Co., Inc.
FROM: Acquisitions Department, Library, U.C. Davis
SUBJECT: Standing Order Approval Plan

The following is an outline of the content of the Richard Abel Standing Order Approval Plan as of this date.

1. Richard Abel will supply material in the following broad categories.

- a. Physical Sciences
- b. Biological Sciences
- c. Humanities and Social Sciences

Definitions and specific details are outlined in succeeding paragraphs.

2. ALL material supplied should be monographs, treaties, standard reference works, and similar publications of an advanced nature (upper division and higher).

3. Physical and biological sciences.

a. Only material produced first by all American publishers (but not vanity presses) and by those foreign firms that publish English language books first in this country should be included. Material in the English language distributed through the American book trade by foreign firms (excluding British or Republic of Ireland firms) should also be included. Publications of non-trade as well as trade publishers are to be considered.

b. The following narrower fields are to be considered as Physical Sciences.

- (1) Chemistry
- (2) Engineering (all fields)
- (3) Geology
- (4) Physics

- (5) Mathematics
 - (6) Science and technology (excluding the natural sciences, but including scholarly books on general science and scientific methodology)
- c. The following fields are to be considered as Biological Sciences.
- (1) Agriculture - use as broad an approach as is possible
 - (2) Agronomy
 - (3) Animals and Animal Husbandry
 - (4) Biology, Biochemistry and Biophysics
 - (5) Botany
 - (6) Cookbooks
 - (a) commercial
 - (b) classic - fancy and standard
 - (c) encyclopaedic
 - (7) Entomology
 - (8) Farms and farming (not economics)
 - (9) Food
 - (10) Forestry
 - (11) Genetics - plant, animal or general - any advanced books
 - (12) General Science
 - (13) History of science (scholarly natural science)
 - (14) Horticulture (including scholarly garden books)
 - (15) Human growth and development (physical)

- (16) Manufacturing processes (food science)
- (17) Physiology, general - any advanced book
- (18) Sex (biology of animal reproduction only)
- (19) Soil and Soil Mechanics
- (20) Space and Science (biological)
- (21) Water Science
- (22) Zoology

4. Humanities and Social Sciences.

- a. Only material produced first by all American publishers (but not vanity presses) and by those foreign firms that publish English language books first in this country should be included. Material in the English language distributed through the American book trade by foreign firms (excluding British or Republic of Ireland firms) should also be included. Publications of non-trade as well as trade publishers are to be considered.
- b. The following fields are to be included here:
 - (1) Anthropology
 - (2) Art
 - (3) Classics
 - (4) Drama
 - (5) Economics, including Agricultural Economics
 - (6) Education
 - (7) English
 - (8) Foreign language and literature (French, German, Spanish, Italian, Portuguese, Russian, Oriental Languages and Hebrew: but no translations)

- (9) Geography
- (10) History
- (11) Library Science (professional only, excluding the publications of the American Library Association).
- (12) Philosophy
- (13) Philology (Classics, French, German, Spanish, etc.)
- (14) Political Science, including International Relations (but no documents - state, national or international)
- (15) Psychology
- (16) Religion (excluding devotional literature, apologetics, dogmatic theology, etc.)
- (17) Rhetoric
- (18) Sociology
- (19) Creative Writing (fiction, poetry and drama, including scholarly translations, but excluding avant garde literature per se)

c. Please include all publications of the following small presses:

- (1) Oyez
- (2) Black Sparrow

5. Exclusions.

a. Collections of articles in series such as the following:

Advances in ...

Annual review of ...

Progress in ...

Yearbook of ...

are to be excluded from the plan except for the first volume.

- b. Periodicals.
 - c. Extracts, off prints.
 - d. Unchanged new editions.
 - e. Reprints (These may be included should they contain an important new scholarly apparatus, introduction, index, etc.)
 - f. Government documents (all levels)
 - g. Maps
 - h. Microforms
 - i. Textbooks as such
6. Mechanics
- a. The change in coverage desired should start as of January 1, 1970.
 - b. DC 1 will continue to be used as the purchase order number for all material supplied on the Richard Abel Standing Order Approval Plan.
 - c. Items costing more than \$100.00 should not be sent. Notify us of such publications. If item is selected notice will be given that it may be sent.
 - d. Material supplied on the plan will be shipped separately from regular Richard Abel orders.
 - e. Material rejected will be returned within a reasonable length of time. No separate authorization is needed to return material rejected.
 - f. Each book will be invoiced separately. Large blank invoices and credit memo forms will be provided for use in processing material received.

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We were advised that the Santa Barbara and Davis blanket and approval order guidelines are typical of those placed by most UC campuses with Richard Abel and Company, Inc. In addition, blanket and approval orders are placed with foreign dealers. For example, Riverside has standing orders for books published in Britain, France, Germany, Italy, and Latin America. Berkeley has blanket orders for ". . . books on all subjects published in North Vietnam, for specific subjects published in Iran, Iraq, Latin America, Thailand, and Turkey, and on specific subjects in the fine arts in the United States and Europe."^{43/}

Conclusions

Therefore, although the University responded to our original draft report by advising us that their ". . . guidelines are considerably more restrictive than indicated. . .^{44/}, we must conclude that: (1) the guidelines are extremely broad; and (2) they are based upon the premise that each UC library should collect much of what is currently being published in at least each area in which it is maintaining a collection. We also conclude that, by delegating a substantial part of its book-selection responsibilities to the bookdealer, the University has lost assurance that its acquisition dollars are being spent for items which are useful in its academic and research programs and of a relatively high acquisition priority.

Approval orders, as opposed to blankets, appear to provide better opportunities for selectivity. However, time pressures, the lack of in-depth subject matter expertise on the part of many bibliographers, and the desires for completeness of collections all undoubtedly mitigate against careful selection. In at least the UC library, books to be returned go through a double review process; while the individual bibliographers may decide independently to keep a book, they must obtain higher level approval if the material is to be rejected. In addition, the costs of processing a book for return, including postage, may well exceed the book's cost.

These factors, coupled with the low return rate, lead us to conclude that approval orders, as now used by the system, are not significantly better than blanket orders in selecting materials of high utility and priority.

In Part I, Library Collection Development, we recommended caution in acquisition in the face of academic and research uncertainties and also recommended the minimization intercampus duplication, particularly of research materials. We have concluded that approval and blanket orders would make the achievement of those recommendations extremely difficult. Further, in our opinion, blanket and approval orders are large contributors to the library processing log-jam which will be the subject of Chapter VIII. But first, we will examine pricing, which is also related to collection acquisition as well as to technical processing.

THE LIBRARY SYSTEM OF THE UNIVERSITY OF CALIFORNIA

CHAPTER VII: PRICES

Introduction

As large purchasers, one would expect libraries to receive favorable prices from bookdealers and publishers. If not, substantial opportunities for cost savings may exist. Therefore, an exploration of pricing and price policies for library materials is the topic of this chapter.

Blanket and Approval Orders

We were advised by the University libraries contacted during the study that, while there is no set service charge for blanket and approval orders, a service charge averaging 5 percent above what the publisher would charge is imposed by most bookdealers. In responding to our draft report, the University informed us that ". . .we do not as a rule pay a 5 percent service charge over the list price; on the contrary, we receive substantial discounts on most."^{45/}

Time constraints did not allow resolution of these conflicting views. However, based upon the general agreement among campus librarians that service charges averaging 5 percent are imposed, we have tentatively concluded that University Hall may not be aware of existing price practices, since the ordering of materials and the payment of bills is done by the individual libraries.

While the services rendered on blanket and approval orders may warrant a surcharge, this charge must be considered as one factor in the assessment of the costs and benefits of these ordering plans. In addition, were blanket and approvals to continue at the same volume as today, one would think that discounts, not surcharges, would be in order.

For example, Richard Abel and Company, Inc., receives over one million dollars annually from the University for domestic blanket and approval orders alone. It would appear that the universitywide purchasing power, if applied, would result in a substantial discount or, at least, offset any surcharge.

Discriminatory Practices

Based upon the best information available to us, it appears that libraries, including those of the University of California, are sometimes subject to price and other forms of discrimination. Such practices are surprising considering the aggregate value of UC library purchases. The existence of these practices should, in our opinion, trigger counter action through the application of economic or other sanctions.

With respect to discriminatory pricing, here are three examples from the Gordon and Breach catalog, October 1970:

1. International Journal of Environmental Studies.

Price for individual buyer: \$14.50

Price for library: \$41.00

2. Transportation Technology.

Price for individual buyer: \$15.00

Price for library: \$50.00

3. Afro-American Studies.

Price for individual buyer: \$11.00

Price for library: \$41.00

In addition, one must certify that he will not donate the material to a library when he buys anything from this company at the "individual" price.

Again, there is some discrepancy between information furnished by the University in its review of our draft report and that furnished by its librarians. The University has advised that "Discriminatory pricing against libraries is rare and is offset by at least as many instances in which libraries are favored over trade buyers."^{46/} On the other hand, Mrs. Johanna Tallman of the UCLA Library, who is currently doing research in this area, believes that price discrimination against libraries by publishers and dealers is a serious and growing problem. We are indebted to Mrs. Tallman for the examples used in this section.

Another form of discrimination against libraries involves the prepayment of charges for serials. As examples, in order to get a one-year subscription for the following three serials, the University must pay three years in advance of the subscription starting date:

Precharges for Serials

Source--Faraday Press.

1. Automatic Documentation and Mathematical Linguistics.

Annual subscription cost: \$145

2. Differential Equations.

Annual subscription cost: \$150

3. Fluid Dynamics.

Annual subscription cost: \$160

The University, apparently misunderstanding our draft report, advised that this practice ". . .produces net savings through economies in processing, discounts, and built-in anti-inflation features."^{47/} We found no discounts or economies of processing, and believe that lost opportunity costs (or interest losses) more than offset any gains achieved through the avoidance of price increases.

Another type of discrimination to which libraries are particularly susceptible occurs through publication of the same materials in several forms. Consider the following examples:

Books Reprinted from Journals

1. Publisher--Marcel Decker; source--1968-69 catalog.
p. 63: Journal of Macromolecular Science--Reviews in Macromolecular Chemistry.
p. 44: Reviews in Macromolecular Chemistry. (Book edition)
The Chemistry branch at Los Angeles formerly subscribed to both titles not knowing that they were the same material.
2. Publisher--Plenum Press (Published by Butterworths, London, and distributed in the U. S. by Plenum). Source--Plenum catalog p. 48: Tenth International Conference on Coordination Chemistry. Plenary Lectures presented at Conference held in Tokyo and Nikko, Japan, September 12-16, 1967. The same material appeared in Pure and Applied Chemistry v. 17 (1968) 1-78, and v. 18 (1969) 405-418.
3. Publisher--Plenum Press (Published by Butterworths, London, and distributed by Plenum in the U. S. Our source is Butterworths). Dissociation Constants of Organic Acids in Aqueous Solutions.
There is no mention in the catalog that this is a reprint, although the book does contain the following entry on the title page:
"Reprinted from Pure and Applied Chemistry v. 1 nos. 2-3."

As expressed by Mrs. Tallman:

Since the mission of libraries is to have information needed by their users, librarians spend a good part of their time ascertaining what is published . . . Publishers have taken advantage of this collection need by charging higher prices to libraries than to individuals, publishing the same material in two different ways, and precharging for serials 2-3 years before the service period.^{48/}

Opportunities for Price Reduction

The above discussion suggests that discrimination against libraries does exist in the market place. However, given the large purchasing power of the UC library system, opportunities exist not only to overcome these types of discrimination but also to gain price advantages.

We found that the University has not tried to effect price reductions by exercising the weight of its universitywide purchasing power. In our opinion, this is a consequence of the autonomy under which each campus library functions, and one of the areas in which central direction would be appropriate.

In our initial draft, we suggested several means by which we believed decreases in prices could be achieved. The University responded:

. . .the remedies proposed to overcome price increases would not be very effective--centralized purchasing may cost more than it saves, consumer protection on the State level would be ineffective against out-of-state and foreign suppliers, a competitive contract system would not be geared to small volume acquisition of nontrade items and would create no end of problems in the futile quest for suppliers of nonmass publications^{48/} that plagues university libraries tied to such a contract system.

While we recognize the difficulties involved, we believe that both problems and opportunities exist that have not received full recognition by the University, as evidenced by the statements quoted above. Therefore, we will restate our recommendations in Chapter X, below.

CHAPTER VIII: TECHNICAL PROCESSING

Introduction

A major theme of this report is to maximize the utility of UC libraries to faculty and student for given expenditure levels. In Part I, Collection Development, we examined opportunities for making more library materials available at less cost through greater interlibrary cooperation and through the increased use of microform materials. In Chapters VI and VII, we discussed the possibility of greater library utility through more selectivity in purchasing, through attempts to eliminate certain discriminatory practices against libraries by publishers and dealers, and through the achievement of favorable prices.

Another area for potential improvement is through increasing the efficiency of library technical processing. If savings can be made, for example, in the ordering, cataloging and record-keeping functions, more money will be available for acquisition. Also, if volumes already owned are kept from use by processing delays, then students and faculty are being denied access to materials in which the system has already invested. Consequently, a look at technical processing is in order.

Our study did not call for a full-scale examination of this area. Rather, we sought obvious problems and tentative opportunities for solution, with the feeling that if some were found in our brief review, then others would exist. Therefore, we did not examine all phases of technical processing, and examined none in great depth.

To help the reader, a general description of the overall system follows:

Systems Description

In our discription of the technical processing function, we elected to begin with the selection of material for acquisition by the library and to trace the various steps involved from the time of selection to ultimate shelving for use. The processing involved varies somewhat by type of material selected, (for example, retrospective, serials and newly published monographic material are all treated differently at some points). The type of material determines whether acquisition will be by individual, standing or blanket and approval order. Each type of material and each type of order follow slightly different paths through the technical processing department. The processing of invoices for payment also differs somewhat. Table 6, below, while not describing all variations, gives an overall picture of the processes involved.

TYPES OF ORDERS, MATERIALS, AND TECHNICAL PROCESSING FUNCTIONS

Part A: ORDER AND MATERIAL TYPES			
Order Form	Individual	Standing	Blanket and Approval
Description	Orders placed by libraries for individual titles	The placing and renewal of subscriptions.	Campus furnishes guidelines to book dealers for various types of materials. Dealer sends all books fitting guidelines. Approvals may be returned; blanket material must be kept.
Material Type	Retrospective and Special	Serials	Newly Published
Description	Materials at least 2 years old or new material not covered by blanket and approval orders. Primarily monographs but includes back issues and back sets of serials.	Newspapers, magazines, journals, annuals and monographic series (hardbound materials on one subject issued as a set, sometimes at irregular intervals).	New materials, primarily monographs, but may include first volumes of serials, especially monographic series.
Volume	35 to 45% of Acquisitions Budget	30 to 35% of Acquisitions Budget	25 to 30% of Acquisitions Budget

Part B: TECHNICAL PROCESSING FUNCTIONS

Function	TYPE OF ORDER		
	Individual	Standing	Blanket and Approval
Material-selection:	Faculty or outside user or library bibliographer identify need.	New orders, same as at left. Renewals, automatically by librarians.	Guidelines established by librarians in consultation with faculty. Dealer makes actual selection.
Search to see if library already owns:	Library, sometimes branch. Occasionally, on expensive, little used materials smaller campuses also contact UCB and UCLA.	New orders, same as at left. Renewals, not performed.	Not performed.
Ordering:	Performed by libraries, sometimes branch, some libraries also order for academic departments and for organized research projects.	New orders, same as at left. Renewals are semi-automatic process by library; branch or both.	Blanket and approval order covers all purchases from dealer.
Receiving:	Library receives invoice, copy of order, and material.	Library receives invoice, copy of order, material.	Library receives invoice and material.
Checking upon receipt:	Material against order and invoice.	Material against order and invoice.	Material against invoice.
Invoice to:	Branch (if necessary), then Library Accounting Office	Same as left.	Same as left.
Invoice Handling:	Record of invoice and fund to be charged. Obtain authorizing signature. Posting and ledger work for internal records by library, branch or both. Forward to campus accounting office for payment.	Some items paid in advance on annual basis or longer. Others treated as at left.	Blanket and approval order usually funded separately from other material types. Actions as at left. Returned approval material not paid for.
Order Handling:	Copy of all orders are kept by library. When material arrives the copy of the order on file is amended to note the receipt of the material. The order records the movements of the item through the processing units until it is finally shelved so that it can be found if necessary.	Same as at left.	Master list of items received for similar purposes shows item, date received, and present location in processing units.
Materials Handling:	Library or branch verifies receipt. Then, if material is to be cataloged, to cataloging department. Otherwise, to shelf.	Library or branch verifies receipt. Then, all monographic materials and first volume of journals to catalog dept.	Approval material is sorted into subject matter for bibliographers. Bibliographers decide whether to keep or reject all approval items. Blankets go to cataloging department.
Cataloging:	Materials into cataloging line. Waits until first in line, then cataloged and shelved. (Exception made for items specifically requested.)	Monographs and first journal volumes same as at left. Subsequent journal issues, newspapers, periodicals not cataloged.	Wait up to six months to see if library of Congress cataloged. Then, with or without L. C. information, same as individual orders (left).

To summarize, the technical processing departments order, receive, catalog and authorize payment for all materials bought by the library. While much of the work consists of repetitive, manual tasks and detailed bookkeeping/record-keeping chores performed by nonprofessionals and students, other portions of the work require highly developed professional skills and subject matter and library science expertise.

Problem Identification

With the huge volume of work to be done by the technical processing departments, one would not be surprised to find processing backlogs. However, we were startled by their size. There appears to be a large amount of unprocessed work in every phase of technical processing in all libraries visited.

During the course of our study, each campus librarian without exception complained of a large backlog in his own library. Its existence was confirmed by our observations and record analysis. For example, UCLA had a backlog of 116,000 volumes in acquisitions and of 140,000 volumes in cataloging. Other UC libraries, had backlogs proportionate to their size.

In the opinion of campus librarians, these backlogs are causing severe problems. While the material below is anecdotal in nature, it is not an all inclusive list of complaints. The stories given are illustrative and have led to our presumption that many other problems are prevalent throughout technical processing.

- . At Los Angeles the serials department has a backlog of 3,000 changes of titles going back a year. Discussions were held from 1964 through 1968 about the branches ordering and receiving serials directly, and about establishing an automated serials fund file which would report subscription costs to date by fund at regular intervals, but the project was discontinued in November of 1968.
- . A branch librarian at UCSD reported that it takes six to eight months for him to get a book after it arrives at the main library. In some instances he has had to wait as long as a year. The cataloging department at this library does have a priority system, but it does not seem to have been fully implemented yet. According to this system, orders could be classified "rush", "expedite", or "standard", and would be cataloged respectively in a day, a week, or when time permits. In practice, however, books are not sorted into these categories when they arrive for cataloging. Consequently, they are usually cataloged in the order in which they are received, rather than according to priority.
- . At another school a librarian observed that it usually takes up to six months to have something ordered. When the system bogs down, the delays are even longer. "Once", he said, "someone sat on 200 of my orders for eighteen months. I have some unprocessed orders that are three and four years old. The problem around here is that no one knows where anything is. I call up to find out what happend to my orders and nobody can find them."
- . One librarian reported that he sometimes will receive two issues of a journal at the same time, implying that the issue arriving first was delayed in processing for three months.

- . At Los Angeles, records of payments and fund levels are kept by the library bookkeeping section and by the campus accounting office. The monthly statements the main library issued to the branches are usually a month to two months behind actual expenditures. Until quite recently, branches, thinking they had more funds than they in fact did have, would over-expend at the end of the year, thereby encumbering a portion of their next year's funds on items which would otherwise not have been ordered. To avoid this, the branches have started maintaining their own records on many campuses, thus, duplicating the work being done by the bookkeeping department in the main library and by the accounting departments.

Problems such as the above are indicative of understaffing, excess workload, inefficient processes, or some combination of the three. To gain better perspective of the problem, further examination of some of the process steps is in order.

Search

One source of workload is the search required before placing individual orders for monographs and new serials. This search confirms that the library does not already have a copy of the wanted material on its shelves, that the material has not been ordered already and is on its way, or that the book is somewhere else in the processing department.

Considering that the University system added over six million volumes to its collection during the nine-year period ending June 30, 1970, the extent of this workload is sizeable. For example, the University received 17,368 more serials alone during 1969-70 than it did the year before.

Branch libraries complicate the search problem. In the case of orders from a branch, the order will be searched initially by the branch and then it will be searched again by the main library. Supposedly, this procedure allows the main library to inform the branch that the book is available at another branch or in the main library (if that is the case). However, it would seem that the branch already has this information, that it is free to buy the book anyway, and that it usually does. Consequently, the additional search appears to be of marginal value under existing policies and practices which permit the duplication of much material between branches and main libraries.

It is our opinion that the process of searching, as described above, may lend itself admirably to automation. Yet, we found the process to be primarily a manual system, requiring the use of considerable manpower.

Blanket and Approval Orders

In Chapter VII, we examined blanket and approval orders from the standpoint of selectivity in the acquisition of material. Now we will examine them from the standpoint of efficiency and effectiveness.

Searching is not a problem with blanket and approval orders, since these procure newly published materials that the library would be unlikely to own. However, these order forms are a major contributing factor to cataloging problems, as we will discuss next.

As previously stated, libraries usually pay a service charge for blanket and approval services averaging around 5 percent above the publisher's price. Most librarians maintain that increased costs are justified because: (1) materials can be more quickly obtained through this process; (2) on approval orders, it is cheaper in the long run to be able to return books you do not want; (3) much manpower is saved in not having to identify and order books on an individual basis.

However, several dysfunctions must also be considered. Processing delays mitigate the advantages of the reduced time within which the books are acquired. Libraries store new books for up to six months, (and in one case, indefinitely) waiting to see if they are cataloged by the Library of Congress. Using LC copies (of cataloged entries) saves the time and expense of original cataloging. But, the advantages of early acquisition are lost if the material is not placed in circulation. Further, even without the service charge, there are substantial losses in opportunity costs for the money prematurely expended.

For approval orders, the savings involved in being able to return a book appear to be negligible, because the library must assume the costs of preparing the item for return and of the return postage. Often these expenses will be as great, or greater, than the cost of the book.

Taking these circumstances into account, one must conclude that the primary functions performed by blanket and approval plans are (1) to augment the volume count and (2) to avoid the workload of determining what new material to purchase. These plans allow libraries to order more books than they could otherwise, but force them to delay processing. Moreover, this type of purchasing policy may accelerate the publication explosion by providing a "guaranteed income to marginal and less successful publishing ventures."^{50/} However, in our opinion, the main objection to blanket and approval orders, in addition to the loss in selection (as discussed in Chapter VI), is their major contribution of cataloging backlogs.

In its response to our original draft, the University did not agree that cataloging backlogs were a problem:

It is not true that all University libraries have huge cataloging backlogs; many are up to date and others are progressively reducing backlogs. . . Even in our largest library, UCB, about 75 percent of monographs are cataloged as received, of which 80 percent are covered by Library of Congress cataloging data.^{51/}

We do not doubt the data furnished by University Hall. However, we suspect that the 75 percent of monographic materials cataloged at UCB as received represents retrospective material ordered by individual orders. This interpretation would be borne out by the high percentage (80%) already cataloged by the Library of Congress. Further, we identified what we and the campus librarians felt were huge backlogs. The problem, then, may be one of a difference of opinion as to what one considers to be a significant backlog.

It is our conclusion that the remaining backlogs are serious in that they (1) keep material from use after it has been received, (2) cause duplications and other inefficiencies in processing and (3) indicate that the University is investing funds in acquiring a large amount of material before that material can be processed with attendant lost opportunity costs. We further conclude that blanket and approval orders are major causes of cataloging backlogs.

Gifts

Another issue, which we approach with some trepidation because of its sensitivity, is the acceptance of gift material. While it is commendable for citizens and organizations to offer, and difficult for libraries to refuse gift collections, their arrival often causes problems in the processing departments. While it is common for libraries to receive gifts of money or of books, donors rarely pay processing costs. Thus, gifts are either processed at public expense or not processed at all because of the large processing backlogs. Many gifts

have been stored at public expense with little prospect of processing in the foreseeable future. This raises questions about the wisdom of accepting gifts if the material so provided is of such relatively low utility to the library that it is not processed promptly.

Serials

The problems of the technical processing unit are most acute in the serials department. "Serial" is a broad term referring to any material that is part of a series. Some serials come out regularly, like journals (which usually are issued quarterly) or annuals (such as Advances in Psychology). Others are issued irregularly, such as a series in Nineteenth Century History.

Because a serial subscription is ongoing, whereas a monograph only has to be processed once, the serials department does much more paperwork than that part of the processing department handling monographs. This problem is accentuated by the fact that each general campus library adds new serial subscriptions at the rate of at least a thousand a year. (During 1969-70 the University received 17,368 more serials than it did the year before.)

The University agrees that serials are a problem:

Serials do require more paperwork than monographs, since parts have to be checked in, subscriptions renewed, and new titles added and discontinued ones deleted. (A distinction must be made between serials and monographic series.) However, in this area, as in all phases of library planning, academic policy must be taken into account; serials represent essential tools of teaching and research. . . .52/

However, despite this agreement, we found no evidence of a concerted effort on the part of the UC system to improve or automate serials processing.

A source of duplication is the routing of invoices between branches and the main library. At Los Angeles some branches receive serials directly, but the invoices for these subscriptions are mailed to the serials department in the main library. The invoice must be sent from the main library to the branch in order to verify that the item has been received. It is then sent back to the serials department which approves it and designates the fund from which payment will be made. The serials department then forwards the invoice to the acquisitions department which does the posting and ledger work. The invoice finally is forwarded to the campus accounting office for payment. The delays encountered in this process can be as long as six months and sometimes result in the cancellation of new subscriptions. When this occurs, additional time must be expended to reinitiate the order.

Improvement Opportunities

Findings such as the above lead us to conclude that substantial opportunities exist for improvement in the technical processing area. In some instances, the University or its individual campus libraries have taken commendable steps to improve its systems. For example:

Brieflisting (an interim inventory card available to users based on photoreproduction of essential information from the title page) is a technique pioneered at UCLA and in wide use; an automated system designed to put new books on shelves quickly, and at the same time synchronizing final cataloging with availability of Library of Congress copy, has been installed there.^{53/}

As another example, the aforementioned priority system for cataloging at UCSD should be mentioned. Another exceptionally fine management practice was found at UCD. There, the head of the cataloging department has established production measures for cataloging work. These allowed him to budget, plan, and schedule with more assurance than most UC libraries and might form the nucleus

for performance evaluation of technical processing staff. Still another time-saving procedure (although it mitigates against the advantages of blanket orders) is the practice of waiting for Library of Congress cataloging before the individual UC library catalogs an item.

However, we found most improvements to be limited to one campus, sporadic, and of a low priority as judged by the resources allocated to them.

Further, much of the work of the technical processing departments would lend itself to improvement through utilization of standard management and administrative technology. Our findings indicate that these techniques have been applied only sparsely to technical processing areas: For example:

- . We found no evidence of systematic and periodic reviews and analyses of procedures in order to make them more economical and efficient.
- . There were no manuals, guides, or standard instructions.
- . No use was made of work measurement techniques which, in our opinion, would be admirably adapted to a large part of technical processing work.
- . No library had a formal training program for technical processing.
- . Cost effectiveness studies had not been done; for example, the advantages versus the costs of blanket order plans or the advantages of waiting for LC listings before ordering had not been evaluated.
- . There were no trained full-time systems analysts assigned to technical processing improvement.
- . We found no regular cost reduction or work improvement programs.
- . Library personnel, with some significant exceptions, did not appear to recognize systems improvement and cost reduction as a part of their regular function.

Automation

The University is aware that many technical processing operations lend themselves to automation since (1) in many situations, electronic operations are faster and more efficient than human efforts and (2) automated systems do not have the built-in inflation that staff salaries do. The University has therefore initiated efforts to automate these procedures. Unfortunately, these projects are filled with difficulties. Some minor examples are:

- . At Davis, a tape written for one system was accidentally erased. The librarians suspect that this may have been done intentionally.
- . It was reported to us that the bibliographic recall systems developed at Los Angeles and Riverside are so complex one must be both a librarian and a systems analyst to use them successfully.
- . As we mentioned earlier, the worthwhile serials fund file automation project at UCLA was discontinued in 1968. Supposedly, the goals of this project were to be absorbed by the general library automation project. When we visited the campus in July 1971, more than 2½ years later, no automated serials fund file system reporting subscription costs to date by fund at regular intervals had been developed.

There also are more serious difficulties. First, there is much intra-University duplication of systems development. Each campus is building its own system despite the universitywide library automation project. The duplication of study and start-up costs is large.

Secondly, separate development on each campus does not permit cost savings through shared cataloging information. Using LC copies is of value, as previously mentioned. However, a great deal of material is not cataloged by the Library of Congress and even that which is cataloged may not be easily accessible by main entry.

At present, a UC library will search to see if the LC has cataloged a particular volume. If not, the library will catalog the volume itself. As much current material is acquired by most or all UC campuses, this results in a great deal of duplication. The extra costs involved in wasted searching time, as well as the additional costs of original cataloging, may be large if repeated often. For example, if it costs \$6 to catalog a book originally and \$3 to copy catalog it, \$54 may be invested to catalog a single book bought on all campuses. If, however, only one campus cataloged it originally and the others copied that entry, the total cataloging costs would be \$30, a savings of 46 percent. Moreover, if UC shared cataloging information with other universities, bibliographic coverage would be even broader, facilitating greater economy.

An alternative which would solve both problems is the adoption of an ongoing automated system by the University of California libraries which would tie UC into a multiinstitutional bibliographic information sharing network. Such a plan would be both more economical and more efficient than the development of independent systems in each campus. It would also permit earlier introduction of more efficient methods and allow the University to avail itself of other libraries' cataloging entries, thus facilitating more copy cataloging. The State University libraries have already demonstrated their interest in improved efficiency by joining the Ohio system.

An alternative to automation is the sharing of information through microform. This alternative has the advantage of communicating information in different alphabets (e.g., Chinese or Greek), something computers cannot do. At least one private company supplies microfiche copies of all Library of Congress entries to member institutions each week. Their services also facilitate the sharing of cataloging information among member libraries. Presently, four

University campuses subscribe to their services. However, we are aware that this firm has received chilly receptions at other campuses, most notably at UCLA.

Either alternative or some combination thereof seems viable. What is most important is for UC libraries to avail themselves of this kind of technology as soon as possible to eliminate duplicative original cataloging and to save the funds involved in (1) developing one's own automation project and (2) duplicating efforts between campuses.

Conclusion

Because of the unexploited opportunities for systems improvement and automation, we believe that substantially higher production is possible in the processing departments without a staffing increase. And, while contending that its major processing problems are caused by understaffing, the University appears to be in agreement, at least in part, that significant systems improvements are possible:

In sum, the recommendation that "steps should be taken to end duplication of tasks, regulate work flow according to priority, allow departments to plan work flows more explicitly, and reduce the amount of work to be done within the processing units" will be endorsed by every University librarian; the recommendations that invoicing should be simplified, that some items should be cataloged only partially, that some branch libraries should do their own processing, and that workloads should be taken into consideration when the University accepts gifts do not tell us to do anything we are not doing already;. . .⁵⁴

With this mutual recognition of opportunity, we believe that a concerted improvement effort is in order. These will be covered in our recommendations, Chapter X, as follows.

THE LIBRARY SYSTEM OF THE UNIVERSITY OF CALIFORNIA

CHAPTER IX: LIBRARY SERVICES TO USERS--SPECIAL PROBLEMS

Introduction

Although the title of this chapter is broad, we are limiting our comments to only three aspects of library services: (1) the extent to which backlogs impair those services, (2) the hours which the libraries are open to serve their regular users, and (3) services provided to outside users.

Backlogs

During the course of our field work and also subsequent to its completion, we received complaints from UC library users that staff shortages, excessive workloads, or both, have hampered the services provided. The most prevalent complaint is that there are delays at some UC libraries in reshelving materials for use. We did not verify the existence of these backlogs.

If in fact they exist, which we have no reason to doubt, they represent a problem warranting attention.

Increased staff and additional expenditures are not necessarily the most desirable solution. Other areas to be explored include improvements in the system itself, better utilization of existing manpower, or the diversion of purchase dollars into manpower.

Hours Open

UC libraries have reduced the number of hours they are open for use. We were advised by the librarians that this action was necessary in order to meet budget cuts in the fiscal year 1971-72 Budget.

The University has advised us that:

Acquisitions and processing staffs were cut, but a small part of the cut was met in a rational way by reduced hours, mainly on Friday nights and partly on weekends, when patronage is lowest. Under the policy of decentralized administration, campus libraries must be free to utilize their resources so as to meet local needs in an optimum way. Increased circulation, new facilities (e.g., the new UCD physical sciences branch library) without additional staff support, and reduced budgets accompanied by inflation made modest cuts in library hours inevitable on some campuses, though not on all. Every effort is being made to minimize inconvenience to users.^{55/}

The decision to reduce library hours has caused considerable adverse effects among students. For example, many UCB graduate students (seen in another context by one of the authors) have complained about library closing hours. These complaints were made individually and without solicitation, when the students learned of the author's connection with the UC study. In addition, a student acting as a UCB tour guide for executives' wives, pointed out the new library closing hours and blamed "the Governor's budget cuts" as the reason.

Of course, this student reaction may not have been planned by the University. We would hope that there is no attempt to dramatize budget disagreements by reducing the most visible services and budget constraints for the reductions.

In any event, the priorities of library users appear, in this case, to be different from the University's. A statewide survey of UC library users conducted by the University's Library Systems Development team revealed that: (1) if no new funds were available, only 30 percent of those surveyed would opt for a reduction in hours open in lieu of other reductions, and (2) if additional funds were available, only 6 percent would want a reduction in hours.

Outside Users

Increasing use is made of University library facilities by people not affiliated with the University. At Los Angeles, for example, 10 percent of total circulation is accounted for by outside users. At the Engineering Mathematical Sciences branch and the Biomedical branch there, outside users account for 25 percent of the total circulation. Outside use is also heavy at Berkeley and San Francisco, and more moderate on the other campuses.

On most campuses, outside users can avail themselves of the full range of library services for an annual fee of \$10. At Los Angeles, the fee is \$24 and there is no fee at San Francisco. Some of the most intensive users of libraries are industrial and business concerns--the aerospace and agricultural industries and hospitals and physicians, for example.

The fee required for a large company to receive full library privileges for all its employees doing intensive research is no greater than the fee the occasional borrower would have to pay. This results in a large subsidy paid to the business community. Also, it creates an unrealistic basis for budgeting libraries since actual workload is not the basis for allocating funds. (Libraries are budgeted on the basis of enrollment; outside users are not considered when calculating workload.)

The University could undoubtedly recover more from outside users. In 1967 Cresap, McCormick, and Paget estimated that the University of California could collect an additional million dollars annually through increased charges to outside users.^{56/} In a letter to one librarian, a company estimated that it saved \$20,000 annually because of the services provided by the library. Rutherford D. Rogers of Yale University believes that the \$25-\$50 library fee is ludicrous. On the average, he maintains universities should be collecting \$2,500 annually from outside users.^{57/} And, at Harvard, the outside user fee was recently raised to \$500.

The University never acted on the Cresap, McCormick, and Paget recommendation to recover costs from outside users. One reason may be that any revenue collected would offset state appropriations and not necessarily add to the amount available for library use. If this policy were changed so that outside users were counted in determining workload, the University might be more willing to consider the issue. Policies revised along these lines would recover additional revenues and libraries could be budgeted on a basis which more realistically reflect their workloads.

The University objected to our draft recommendations concerning additional charges to outside users on the following grounds:

Outside Users. The public service performed by the University in making its libraries available to outside users for nominal fee may be worth more to the State than what could be recovered by higher fees and decreased use. If these users were cut off from access to the University's libraries, public libraries would have to expand their holdings of research materials already available at the University. The cost to the State (which partially supports public libraries) and the duplication would be considerable. The research library of a State university is a public resource, in many ways as important as highways or water. An area such as San Diego has been hitherto hampered by the lack of a research library; now that one is in the making, its use should be encouraged not hindered. In New York State, academic and research libraries receive special State funding in return for off-campus service. It is true that present budget formulations in California do not take account of public service of this kind. Moreover, some taxpayers complain about having to pay for using a library which they support. However, we agree that the problem requires study, and that outside users should fully reimburse the University for special service and that they should be counted as part of the library's workload for budgetary purposes.^{58/}

While we recognize the merit of the University's arguments, we believe an alternative viewpoint should be considered. First, the users we are concerned with are the large industrial and scientific users, not those whom the public library system would support. Second, it is a concept of good government to charge users for services provided, when the beneficiary can be identified, has the means to pay, and is rewarded by private gain from the services. Water

and highways, both cited as examples by the University, are funded by user charges.

It is our conclusion, therefore, that a policy question exists which needs full consideration at top governmental levels, possibly in connection with the budgetary process.

CHAPTER X: RECOMMENDATIONS, ALTERNATIVES AND DISCUSSION

Introduction

Study objectives and time constraints did not allow for a full range of completely developed alternatives. Thus, these recommendations call for a good deal of work on the University's part before major change can be effected. Savings and cost estimates are not given; nevertheless, we believe that savings can be significant. We urge immediate and top level attention to the suggestions presented below and will be pleased to assist if so requested.

Recommendations, Discussion and Alternatives

BLANKET AND APPROVAL ORDERS

8. We recommend:

- That immediate steps be taken on a universitywide basis to curtail the use of blanket and approval orders, for the purpose of increased selectivity in the expenditure of acquisition dollars and avoidance of intercampus duplications.
- That consideration be given to the abolishment of all blanket and approval orders.
- That the blanket and approval order system, if retained, be improved through the development of a plan which, by sharing work between campuses, would allow a thorough review (a) of blanket materials before acquisition by more than one campus, and (b) of approval materials prior to final selection.
- That as a minimum first step, the blanket and approval plans of all campuses be reviewed together, in order to minimize the acquisition of any material that would not have been acquired if a blanket or approval order were not in effect and to curtail duplications.

Alternatives and Discussion

We have concluded that while blanket and approval orders save library man-hours and acquisition time, they do so by delegating to the bookdealer responsibilities which, we believe, are appropriately a function of the libraries. Further, these services are apparently paid for by surcharges and a loss of discounts.

Alternative A is to eliminate the use of both blanket and approval orders.

This would slow down the collection of newly published materials and increase in-library workload. However, the resultant slowdown may be advantageous, not only to force more attention to selection, but also because much material is not now processed promptly.

This alternative might be achieved by delaying the acquisition of a new book not specifically requested by faculty until it was reviewed by the appropriate professional journals. At that time, the decision to purchase or not purchase would be based upon both the content and contribution of the work and its apparent usefulness. Or, the alternative could be combined with the part of B, below, which distributes between the campuses the responsibility for selecting materials not specifically requested by faculty.

Alternative B is to continue the use of blanket and approval orders, but to avoid unnecessary duplication of collection and selection activities. Under this proposal, responsibility for newly published materials would be divided among the campuses. In any given field of knowledge, only one campus would receive new materials by blanket or approval orders. It would be the responsibility of each campus to review and to rate the materials assigned to it, and to notify the other campuses of the value and utility of the new works. To use this plan, it would be necessary to develop a rating and reporting system so that campuses could easily share this information.

This plan would allow bibliographers on each campus to specialize in fewer areas of knowledge and thereby to increase their subject matter expertise. It would avoid duplicate efforts on the several campuses, and would undoubtedly result in more careful selection. With increased attention paid to selectivity, approval orders, instead of blankets, might profitably be used.

As a subalternative, the review responsibility could be delegated to UCLA and Berkeley, the two recognized research libraries. Responsibility for initial screening, selection and cataloging of all newly published material would be assigned by subject matter to one of these two campuses, who would in turn notify the other campuses of the materials' utility and value.

Alternative C considers maintaining blanket and approval orders, but under much more restrictive guidelines developed in a conscious attempt to reduce duplications and to avoid the collection of materials of limited value. If the roles of the individual libraries were changed significantly, as considered in Part I of this report, UCB and UCLA might retain full blanket and approval orders. The other campuses would be limited to those areas in which they retained a research collection. All other newly published materials would be acquired through individual orders.

Even without substantial changes in library roles, however, we believe that a careful review of all blanket and approval orders for the purpose of substantially tightening of the guidelines would be in order. We urge that this be done immediately.

9. We recommend:

- . That the State and the University take immediate steps to reduce discriminatory price and publishing practices directed against its libraries.
- . That a legal opinion about the legislative remedies which may be available be sought and that anti-discrimination legislation be introduced if necessary and feasible.
- . That, where feasible, the prestige and purchasing power of the University be used to stop discrimination in pricing and publishing.

Alternatives and Discussion

Legal remedies may curtail discriminatory pricing, prepayment requirements, and the publishing of materials in more than one form without clearly identifying one as a reprint in all advertising media. As a first step, the University should seek counsel through its own sources or through the Attorney General. If there are existing legal remedies, these should be applied. If not, legislation should be drafted and introduced, if counsel finds this approach feasible.

Another protective measure would be to refuse to purchase from publishers and dealers who discriminate against the University. The University also might avoid, to the degree possible, the publication of University-produced materials by these publishers. If these protective measures are adopted, the University should make its decisions in these areas known to the academic and library community. For example, the University might refuse to purchase serials which required payment more than six months in advance of the service date, and it might refuse to purchase any materials from publishers who charged higher prices to UC libraries than to the general public. With the University's excellent and well-deserved reputation in academic and library affairs, these sanctions should carry great weight.

10. We recommend:

- . That the University enter into negotiations with all dealers and publishers, with which it does more than \$10,000 in business annually, in an attempt to achieve greater price discounts.
- . That in cases where these negotiations are unsuccessful, the University initiate discussions with other dealers to arrive at the most favorable prices.

Discussion

This recommendation suggests centralized price negotiations, not centralized purchasing, and would apply only to those dealers and publishers who receive a substantial dollar volume of University business. Thus, University objections to this recommendation, based upon problems with ". . .small volume acquisition of nontrade items and. . .suppliers of nonmass publications. . ."9/ are not applicable.

Achieving better prices, however, does require concerted effort on a university-wide basis, so that the total purchasing power of the University may be brought to bear. The effort should prove worthwhile, since even a one-percent overall price reduction would save in excess of \$100,000 annually.

TECHNICAL PROCESSING

11. We recommend:

- . That UC libraries temporarily terminate all blanket and approval orders until cataloging backlogs are eliminated and until the reviews of these ordering practices (Recommendation 8, above) are completed.

- . That as a general practice, UC libraries delay purchases of newly published materials, except upon special, high-priority user request, until cataloged by the Library of Congress or until sufficient time has passed so that LC listing appears unlikely.
- . That steps be taken on a universitywide basis to eliminate duplications between campuses in original cataloging.
- . That the priority system for cataloging, as developed at UCSD, be improved as necessary and then implemented systemwide.

Discussion

Cataloging backlogs are a severe problem. The practice of acquiring material far in advance of the time it can be cataloged is wasteful. Except in special circumstances, it would appear profitable for the system to wait before purchasing an item, to see if the Library of Congress will catalog it and to use LC listings when available. However, this policy should be flexible enough to allow immediate acquisition of a specific piece of newly published material which has been requested by a user.

The original cataloging of newly published material not cataloged by LC by each University library which purchases the material duplicates effort. Better systems and a sharing of responsibility, as in Recommendation 8 above and 15 below, should reduce overall cataloging costs and future backlogs.

A priority system for cataloging would be in order. Since UCSD has developed (but not implemented) such a system, it appears logical to extend this process to all campuses.

12. We Recommend:

- . That a full scale systems and procedures review of all aspects of technical processing be performed using trained analysts.

- . That particular attention be paid to opportunities for automation.
- . That following a cleanup of existing processing procedures and practices, manuals and guides be developed and introduced on a systemwide basis, establishing standard procedures for all campuses.
- . That as a next step, a formal training program in the nonprofessional aspects of library processing be developed and instituted.
- . That a work measurement program, using industrial engineering methods to formulate the time allocations and reporting systems, be developed on a universitywide basis for library technical processing activities, under the guidance of an experienced work measurement analyst or industrial engineer from within or outside of the University.
- . That the University consider adding to its central staff a small cadre of trained and experienced staff personnel in such disciplines as systems and procedural analysis, industrial engineering, and training to guide the developmental work recommended above, and then to carry out ongoing activities in these areas.

Discussion

It is apparent from the findings of our limited study of technical processing that a systems and procedures review would result in significantly higher production and the avoidance of many frustrations caused by processing delays and malfunctions, if the resulting new systems were installed Universitywide. Studys, however, should be carried out by persons trained as analysts, not as librarians. It would probably be profitable for the University to contract for these skills, unless academic staff who possessed them could be assigned full-time for a limited time period.

The resulting new processes and procedures could best be implemented through a training program. This program would also be useful for introducing new employees to their work assignments, so that they would reach work quality and quantity standards quickly.

Much of the work of the technical processing departments would lend itself admirably to work measurement. This would provide the system with what, in our opinion, is an essential tool for planning, scheduling and control, and should raise production materially. However, highly skilled analysts or industrial engineers are needed to develop and implement the system.

Once these procedures, training and work measurement programs are developed and installed Universitywide, they need to be kept current. A small cadre of staff specialists should be able to perform this chore and, as a rule of thumb, offset their costs many times by minimizing the need for additional processing staff.

13. We recommend:

- . That a realistic estimate of processing workload and man-hour requirements be made, following the systems improvements and acquisition curtailments recommended above.
- . That a concerted effort be made to eliminate current backlogs, even at the expense of the temporary addition of processing staff.
- . That future library budgets reflect a mixture of acquisition and processing dollars which will allow newly acquired materials to be processed as received.

Discussion

We believe that implementation of the recommendations for improved processing procedures, especially if coupled with some reduction in collection activities,

may result in a surplus of processing staff. Nevertheless, there is no doubt that under present conditions, there is inadequate staff to process present workload. This indicates inefficient distribution of resources between the buying of library materials and the processing of these materials for use. Future budgets should watch this mixture carefully; work measurement should make accurate budgeting feasible.

Because the current backlog is both creating extra workload and keeping materials already purchased from users, it must, in our opinion, be eliminated quickly.

14. We recommend:

- . That consideration be given to not accepting gifts, unless they are accompanied by processing funds or unless they are comprised of materials whose ownership by the libraries is of a sufficiently high priority to student and faculty so that the gift will be processed without delay.

Discussion

We recognize that the University may not wish to refuse gift materials because of the effect of this action on publicity, relationships and future donations. It seems to be against the public interest, however, to accept gifts in kind which could possibly be put to use elsewhere, if UC is not going to process the gift material for use. The cost of indefinite storage must also be considered, as must the cost of processing if the material will be processed.

15. We recommend:

- . That UC take an active leadership role in efforts to automate library processing activities such as searching, cataloging, processing, and invoicing.
- . That skilled computer systems analysts be assigned to the task of developing and implementing automated systems.

- . That developmental work done elsewhere be studied, adapted, and utilized as feasible.

Discussion

Many of the technical processing tasks seem suitable for automation and it would seem logical that the UC library system, with its size and geographic dispersion, would benefit greatly. UC also has computer capacity available. However, present attempts to automate seem ineffective, and there is much systems development duplication between campuses.

16. We recommend:

- . That backlogs of and systems for providing library services to users receive the same study and consideration as was recommended for technical processing.

Discussion

The steps suggested for technical processing in Recommendations 5 and 6 above also apply to improving services to users.

17. We recommend:

- . That each campus library remain open a minimum of 100 hours per week.

Discussion

Alternative 1--University regulations or state legislation should require all main libraries within the UC system to remain open a minimum number of hours each week. This level should be set somewhere around 100 hours per week possibly as follows: Monday through Saturday--9:00 a.m. until midnight; Sunday--2:00 p.m. until midnight. In addition, libraries should be required to remain open until 2:00 a.m. during final examination periods. Even with this kind of schedule, economies in staffing may be achieved by maintaining only one exit point in the library (except perhaps during peak usage periods).

Alternative 2--Withhold funds when reductions in hours open occur. Under this plan libraries would lose a share of their reference--circulation budgets proportional to the loss of service time incurred whenever the number of hours open per week is reduced. Thus, libraries would be budgeted for the amount of service actually provided.

Discussion

Because the major function of the library is its service to users, and since the major costs are those of building and maintaining the collection, the library should be open when it is needed. Either alternative would assure this.

18. We recommend:

- . That UC libraries should recover the costs of services provided to outside users who make substantial demands on its services.
- . That this recommendation not apply to faculty and students of other higher educational facilities with which there is reciprocity.
- . That, if UC adopts a system of charging outside users, the State should share the revenue so generated with UC.

Discussion

Alternative 1--Every campus should charge at least a nominal fee to outside users. If San Francisco received even \$25 from each of its outside users, \$50,000 additional revenue would be generated.

Alternative 2--Recover full costs from all outside users for (1) circulation services, (2) Xeroxing services, (3) extended reference services, and (4) monographs and serials ordered on request. The rates established should be standard throughout the University. This could generate as much as \$1,000,000 annually.

Alternative 3--Charge individual outside users a nominal fee, \$25-\$50, and recover full costs from industrial users for the services enumerated in Alternative 2. This policy would probably generate an additional \$500,000 in annual revenue.

Alternative 4--Divide the revenue generated from outside users between the University and the State. If half of the revenue recovered from outside users remained in the library budget and the other half were returned to the State, both the libraries and the State would receive more than under the present arrangement and library budgets would more realistically reflect workload.

Alternative 5--If additional revenues cannot be recovered from outside users, the University might offer only limited services to them or terminate their privileges at UC libraries.

FOOTNOTES

41. Letter from John H. Stanford (October 26, 1971), attachment, p. 1.
42. Unsigned memo op. cit. p. 2
43. Norman Dudley, "The Blanket Order." Library Trends January 1970, p. 319
44. Stanford, op. cit.
45. Ibid.
46. Ibid., p. 2.
47. Ibid.
48. Johanna Tallman, "Are Publishers Taking Advantage of Libraries?"
unpublished article.
49. Stanford, op. cit., p. 2
50. Dudley, op. cit., p. 323
51. Stanford, op. cit., p. 1.
52. Ibid.
53. Ibid.
54. Ibid., pp. 1-2.
55. Ibid., p. 2.
56. Cresap, McCormick, and Paget. Reconnaissance Study to Determine
Potential Areas of Additional Revenues. (New York: C.H.P. 1967)
pp. 1137-1140.
57. Rogers, op. cit. pp. 44-45.
58. Stanford, op. cit., p. 3.

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