Beyond the budget: Creative alternate funding options for library subscriptions

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Abstract:

This paper is based on part of the “Two lively discussions in one room: Forecasting for uncertain futures; creative alternate funding options for library subscriptions” session at the 2022 Charleston Conference and addresses alternative funding options for databases, datasets, and other library subscriptions. The authors describe their experiences with alternative funding models and summarize ideas and suggestions made by the thirty-two attendees in their small group discussions. Examples of alternative funding models discussed include cost sharing, in-kind support, and grant set-asides. Since budget challenges will continue on many campuses, flexibility, creativity, and strategic planning in funding subscriptions are increasingly important. The authors hope the examples and ideas in this paper help libraries explore alternative strategies.

Keywords: library funding models | library subscriptions | budgets | libraries

Article:

Introduction

Budget reductions and stagnation are common foes of libraries and resource vendors alike. With enrollment issues projected to be an ongoing challenge to higher education, fiscal constraints aren’t going to fade anytime soon. At the same time, library users’ need for information access has only grown, which begs the question, “What can we do if normal funding sources aren’t available?”

The issue of funding continuing resources (journals, databases, datastreams, etc.) is particularly acute as these resources typically require an ongoing funding commitment, rather than a one-time payment. While there are several funding routes for the former, options for the latter are less visible.

Interestingly, a review of the research literature indicates that use of alternate funding models for continuing resources isn’t a novel concept, at least not in disciplines such as business, data analytics, and career services (Reiter, 2020). However, despite a number of quantitative studies demonstrating that alternate funding models are being used to support continuing resources, qualitative discussion of the costs, benefits, and best practices of such arrangements is virtually nonexistent. The Lively Discussion this paper is based on was intended to fuel broader conversations about how libraries could leverage such arrangements.

Definitions of Some "Alternate Funding Models"

- Cost sharing: Academic departments, career centers, research centers, and/or local ecosystem partners contributing to the subscription cost of a commercial product. (Kim & Wyckoff, 2016, pp. 137–138; Barnhart & Ogur, 2016, p. 131)

- In-kind support: Libraries and academic departments sharing labor and services to support a commercial product, as opposed to sharing funding. (Price, 2021)

- Grant set-asides: Funds from grants designated to help fund (or fund completely) research tools that support the goals of the grant. (Cuillier & Stoffle, 2011, pp. 787–789)

Authors' Experiences with Alternate Funding of Continuing Resources

All three authors have experience organizing and maintaining a variety of alternate funding models for continuing resources on their own campuses, which are summarized here.

University of Oregon

The University of Oregon (UO) Libraries has established alternate funding agreements with several academic units to provide access to continuing resources. The largest such agreement is for a campus subscription to PitchBook, a private equity and venture capital investment research tool. This agreement between the UO Libraries and Lundquist College of Business began as a grant-funded subscription supporting a multiyear research project called the Oregon Capital Scan. With a price tag of well over $20,000, PitchBook was inaccessible to both library and business school without cost sharing. Now in its fourth year, ongoing assessment of PitchBook usage statistics, class applications, and research value has led both business school and library to continue and even increase their support of the platform. When the original grant funding ended, the business school allocated regular funds to continue supporting the campus-wide subscription and the UO Libraries increased its support in recognition of the resources' interdisciplinary relevance.

Another alternate funding route that is rapidly gaining popularity at the UO is offering academic units access to the UO Libraries' electronic resource management (ERM) team and collection management systems. The UO Libraries administers several continuing resources that are wholly funded by academic units, a scenario the units appreciate because our ERM personnel and systems are optimized for troubleshooting access problems, facilitating contract renewals, and negotiating beneficial contract terms. Likewise, this system benefits both libraries and students by making otherwise obscure resources accessible to the campus community, reduces the incidence of lapsed contracts, and eliminates confusion regarding contacts for troubleshooting.

Further, the uniqueness of library ERM personnel's experience with negotiating resource access contracts should be considered an in-kind agreement of its own. At the UO, we had a situation where a group of researchers was pooling funds to pay for access to a high-cost datastream under terms conducive to all parties' different research needs. Library ERM personnel were able to step into the negotiation process and identify misunderstandings in the conversation that could have precluded several projects from being allowed. Although the UO

Libraries did contribute funding in this case, the value of our ERM experts' input was completely independent of that funding and equally valuable.

Penn State university

Penn State University Libraries has also deployed cost sharing with other units as an alternative funding model on an occasional basis. One example is sharing the costs of Wharton Research Data Services (WRDS), a platform for business and financial research data. Without business school contribution and collaboration, the Penn State University Libraries would not be able to provide financial support for these resources, which faculty and students find of immense value to their research and teaching.

The University Libraries also contributes funding toward certain core datasets on the WRDS platform; however, add-on specialized datasets are the funding responsibility of the academic units. Because of the variety of funding sources for WRDS-related products, it can be challenging to route invoices to the appropriate billing contact, so we often step in to connect the right people and resolve frustrations as a very informal type of support for the resource. More formally, we contribute in-kind support to the partnership by serving as WRDS access account representatives. In the role of WRDS access account representative, we manage and approve requests for access to WRDS in agreement with their terms of use. The business school benefits by saving time and labor from our in-kind contribution, but we also benefit as liaison librarians since managing access accounts provides important insights on usage and users.

University of North Carolina at Greensboro (UNCG)

The University Libraries at UNCG has not had a budget increase for collections in many years, and collections will finally face a cut in the 2022–2023 budget due to a decline in campus enrollment and a new UNC system funding model from the Board of Governors. The 0% price increases from most vendors were very helpful. Our collections budget is also supported by NC LIVE, which provides databases state-wide and subscription discounts through Carolina Consortium deals.

Sharing costs with other academic units on campus is one alternative funding model we have pursued. The next example is the library sharing the cost of a World's Global Style Network (WGSN) subscription with the Consumer Apparel and Retailing Studies department. The library once shared the cost of WRDS with the UNCG business school but after a past budget-cutting year, the business school now pays for all of WRDS. However, as at Penn State, a librarian continues to provide in-kind contributions as an account representative.

While our collections budget has been flat, the library has received significant end-of-year one-time money. We usually spend such money on journal backfiles (such as from JSTOR), e-book packages, and archival packages. However, we also used one-time money to purchase Sage Business Cases, providing an open education option for the important format of case studies. We also used one-time money to fund multiyear access to subscription databases like DataPlanet and eMarketer Insider Intelligence. This is certainly a risk in this strategy: when the multiyear subscription runs out, there is no guarantee the library will have funds to continue the subscription. However, we will have five years of usage data on these products to compare to that of our other subscriptions. If one of these new products proved popular with low cost per use, the library could consider canceling a "normal" subscription to fund an annual subscription of the new product. At the least, for five years, students and faculty had additional content to use for their class projects and research.

Discussion Topics and Summary

The following is a summary of the small and large group discussions from the in-person and online Charleston conference. The discussion facilitators started the conversation off by introducing the topic of alternative funding models and sharing snapshots of their own experiences as mentioned above before introducing the following four questions:

What Do You See as Specific Strengths of the Various Types of Alternative Funding Models?

Participants highlighted reduced library spending as a prominent benefit of alternative funding models. For example, collaborating with campus partners on cost sharing allows libraries to spend their finite funds more strategically, which is a valuable opportunity when library budgets are flat or diminishing. Other examples participants highlighted for their cost-saving benefits included using one-time funds to prepay and save on future annual fees and consortia purchasing. Attendees also identified a less tangible and measurable strength: raising awareness of the library. They viewed alternative funding models as ways to increase awareness around campus about the value libraries add to research and learning.

Are There Particular Alternative Funding Models Discussed Today that You Think Would Be Attractive to Your Institution? Why?

Attendees highlighted cost sharing as one of the strategies that would be attractive at their institutions. They saw an opportunity to educate faculty and units on not only what the library can do but also what costs the library faces. In addition to increased transparency on the library side, participants thought that cost sharing would help the library get to know academic departments better and work with them in partnership. Ultimately, getting resources and swag for the department was viewed as a way to develop and maintain faculty champions. Some attendees also noted an opportunity to look beyond the colleges to other units that are or might be interested in collaborating on funding library resources, such as the writing center, museum, or entrepreneurship center. Another alternative funding model that captured interest was pursuing grants. They thought there were viable opportunities to get creative with grant money to support library collections.

What Do You See as Potential Pitfalls or Barriers for the Various Types of Alternative Funding Models? How Could You Mitigate Those Risks?

In addition to highlighting the benefits, attendees were honest about the potential pitfalls of alternative funding models. One issue brought forward was the challenge of canceling a resource funded via a cost sharing agreement. The academic unit may have already committed the money and have expectations on how that money will be used, which corners the library into continuing a resource they may have otherwise canceled. On the other hand, the unit may not come through with the funds in time for a renewal, leaving the library committed to a subscription and needing to cover the cost in full. MOUs were identified as a way to mitigate risks and provide clarity around commitments, but participants also noted that MOUs came with their own set of challenges. In some cases, administrators may not wish to support MOUs, which makes year-to-year management challenging. In cases in which MOUs have been established, some attendees warned about the need to renegotiate MOUs if there was staff turnover in the future.

Participants also voiced that the benefits of alternative funding models are not always clear on the library's side and sometimes saw a lack of interest from liaison librarians in approaching their academic units. In particular, they discussed the challenges of making the "ask." While more seasoned librarians may feel more confident having these conversations, those newer to interacting with departmental faculty and staff may not have had the time necessary to establish secure relationships and develop the trust needed to enter these types of partnerships. Additionally, turnover in academic units means that librarians, whether they are seasoned or not, often find themselves needing to start over with building relationships in their liaison areas, delaying potential progress on funding approaches outside the norm. To combat the relationship-based challenges of alternative funding models, one promising suggestion was to explore fundraising training and guidance from university development officers who are experienced and skilled at making the "ask" while maintaining trust and relationships.

How Could These Initiatives Be Used to Build the Library's Relationship with the Broader Campus or Community?

Attendees shared how these initiatives could further the library's relationship more broadly, including extending the reach of resources across campus. In current models, faculty may fund products for the use of their own unit or research team. In partnership with the library, there is the potential for a faculty-funded database to be available to significantly more students and faculty. In these scenarios, faculty can feel pride in expanded use and added value of their contributions.

As mentioned above, cost sharing and other alternative funding approaches help to educate faculty about the costs of information resources. Greater awareness of these costs and the library's budgetary constraints could encourage interest and buy-in from other campus players who understand and are aligned with the library's mission, thereby strengthening ties with more units.

Conclusion

Conversations in this session highlighted a wide range of perspectives on the potential costs, benefits, and design of alternative funding models with participants seeing potential to implement some variation of these strategies at their institutions. Happily, this sentiment was expressed by collections and public service librarians from a diverse range of libraries, indicating that use of these strategies need not be limited to large research institutions like those the presenters are based at. Since budget challenges will continue to shadow most academic libraries for the foreseeable future, flexibility, creativity, and strategic planning in funding continuing resource access is increasingly important. The authors hope the examples and ideas in this paper help libraries explore alternative strategies.

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