

# Summary of Current Practices in Colleges and Universities with Respect to the Management of Book Funds

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LAST YEAR while attempting to redefine the relationship between the business office of the university and the order department of the library, it appeared that a new summary of current practices on certain points would be helpful. Consequently, letters containing the following six questions were sent to the librarians of sixty university and large college libraries:

1. Does your university carry its book funds for departmental purchases as a part of the library budget or as a subdivision of the budget of each department or college?
2. If the latter is true, are the book funds mixed with supplies or are they separate?
3. Are you and the library committee allowed to transfer money from one fund to another freely or do you have to get permission of the president each time?
4. Does the library committee allocate or divide the book funds among the departments or is this done by other administrative officers?
5. Do you have, in addition to the general library book fund, a contingency fund which you may use at your discretion?

6. Is the bookkeeping for library book funds done in the library or in the business office?

Replies were received from the following fifty-three institutions:

University of Arizona, University of Arkansas, Bryn Mawr College, University of California (Berkeley), University of Chicago, Cincinnati University, University of Colorado, Cornell University, University of Delaware, University of Denver, Duke University, University of Florida, University of Georgia, Harvard University, University of Idaho, University of Illinois, Indiana University, University of Iowa, Johns Hopkins University, University of Kansas, University of Kentucky, Louisiana State University, University of Maryland, University of Michigan, University of Minnesota, University of Mississippi, University of Missouri, University of Montana, University of Nebraska, University of Nevada, University of New Mexico, University of North Carolina, Northwestern University, Oberlin College, Ohio State University, University of Oregon, University of South Carolina, University of South Dakota, Southern Methodist University, Temple University, University of Tennessee, University of Texas, University of Utah, Vassar College, University of Vermont, University of Virginia, Washington University (St.

Louis), University of Washington (Seattle), Wayne University, University of West Virginia, Western Reserve University, University of Wisconsin, University of Wyoming.

Many of the librarians who contributed data for their institutions expressed an interest in the questions and suggested that the results be published. Thus, although from my point of view the project was undertaken as a basis for an administrative report, the following summary is presented. It should probably be stated at this point that a summary of current practice does not necessarily result in a guide to correct practice. It may be true that fifty million Frenchmen can't be wrong—but they sometimes are.

#### *Question 1*

The question of where, from a book-keeping point of view, the departmental book funds should be listed may seem in itself relatively unimportant, and yet if the book funds are kept as a part of the departmental budgets rather than as subdivisions of the library book fund certain disadvantages result. First, it is more difficult and costly to transfer money from one fund to another than it is to rearrange subdivisions of one budget. Second, the plan is based on the assumption that responsibility for determining the amount that each department is to spend for books rests with each department rather than with a library committee whose function it is to see a department's needs in terms of the whole institution. It may well be that the assumption is not well founded.

Forty-two of the fifty-three institutions studied carry their departmental book funds as subdivisions of the library budget, six carry them in both places, and only four keep all book funds in the depart-

mental budgets. The universities that keep their book funds both in the library and the departmental budgets usually do so because of the existence of special endowment funds which are to be spent for books, supplies, salaries, etc. The universities which keep all their book funds in the departmental budgets are: Arkansas, Colorado, Delaware, and New Mexico.

#### *Question 2*

Whenever book funds are kept in the same budget categories as supplies and equipment, separate accounting for each is difficult. The result is that if over- or underspending is to be prevented, the library order department and the business office of the university will have to check with each other before either makes a commitment against the common fund—a procedure which is clumsy, to say the least. Only four of the fifty-three institutions merge their book and supply accounts. These are: Colorado, Delaware, Harvard, and New Mexico. Harvard is in this group only because of special endowment funds. Colorado has changed its policy this year.

#### *Question 3*

Librarians are generally agreed that there should be flexibility in the interdepartmental handling of book funds and that due to the appearance of special bargains in the book market or to the changing needs of departments within a given year it should always be possible to shift funds from one department to another. In forty of the fifty-three institutions, money can be shifted freely, in eight only in exceptional circumstances, and in five not at all. It would be interesting to find out how the five institutions get around the rigidity of their systems.

#### *Question 4*

The question of whose responsibility it is to allocate the book funds among the departments is debatable. The ultimate authority, of course, rests with the president, but he seldom has time to study the needs of the departments or the conditions of the book market and hence is seldom in a position to handle the problem. Theoretically, it would seem logical to place the responsibility on the librarian and the library committee, who can devote the necessary time to the problem and who can present a well-considered program for the president's final action. Forty-five of the institutions queried do place the responsibility on the librarian and the library committee, while seven do not. The latter group includes Arkansas, Colorado, Delaware, Harvard, Indiana, Nevada, and New Mexico.

#### *Question 5*

Because the library needs of the departments cannot always be anticipated at the beginning of each fiscal year, because special bargains sometimes appear on the book market at times when the regular departmental funds are committed, and because it is time consuming, and therefore expensive, to have to secure the approval of a number of departments when a publication that involves several departments is being considered, it would seem reasonable that the librarian have a contingency fund which he can use to take care of special situations. This fund would be in addition to the money available for general reference books, periodicals, and bibliographies.

Thirty of the institutions studied have such funds, while the following do not: Arizona, Bryn Mawr, Colorado, Florida,

Idaho, Iowa, Maryland, Montana, New Mexico, South Carolina, Southern Methodist, and Vermont.

It does not follow that in the latter group of institutions the three conditions stated above cannot be met even though no contingency fund exists. The librarian can always go to the department heads and ask them to relinquish some of their funds for the use of other departments and he can always seek departmental approval for dividing the cost of buying an expensive publication—since it is unlikely that he would be buying such a publication without departmental sanction. The objection is that the process is time consuming, that it prevents quick action, and that the mechanism is clumsy.

#### *Question 6*

Many assertions have been made in the library literature about whose responsibility it is to keep the accounts for the departmental book funds. The business officers of the universities usually doubt the librarians' statements that they (the business officers) cannot keep these accounts as easily and efficiently as they can for the other things and services a university purchases. Librarians, on the other hand, have claimed that because of the nature of the book market, because of the necessary language equipment involved, and because of the use made of the records by the order department and others on the library staff and the faculty, it is best to have the detailed accounts kept in the order department of the library and to let the business office rely on the library for these records.

In ten of the institutions studied all the accounting for book funds is done in the library, in five it is all done in the business office, while in thirty-seven it is done in

both. In some cases among the third group this may mean outright duplication of records, while in others it means that the library keeps the detailed accounts while the business office keeps only the summaries. In other words, the library order department acts as a branch of the business office.

Solution to the problem must be sought on the basis of two questions: first, is it possible for the business office to keep the records accurately and intelligibly, and second, is it possible that because of the various uses made of the records that they should be kept in the order department of the library, even though the business office can handle them properly? The problem

should be studied by someone who is thoroughly acquainted with modern accounting and bookkeeping techniques and also with the problems of an order department.

The data presented show how a substantial group of universities and colleges have solved certain problems which arise from the handling of book funds. They do not tell us what practices should be followed. That can be determined not by a consensus of opinion but by careful research. If the publication of this report stimulates such research it will be justified, otherwise not.<sup>1</sup>

<sup>1</sup> As a result of the submission of the report, the University of Colorado has revamped its entire program for handling book funds and has brought its practices in line with those generally followed by the universities listed in this summary.

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## Proposed Amendment to the Constitution of the A.C.R.L.

Recommended by the Committee on Constitution and By-Laws for Action  
at Milwaukee, June 1942

The text in italics below is the proposed change in the Constitution and By-Laws.

Article VI. Board of Directors. Section 2. Members. The Board shall consist of the president, vice president, retiring president, secretary, treasurer, three directors-at-large, the directors elected by sections, *and the Association representatives on the American Library Association Council who are serving the last year of their terms.* The

chief officer (or, in his absence, the vice chief officer, or the retiring chief officer, in this order) of each section is an ex officio member without vote.

The members of the Committee on Constitution and By-Laws are Mary H. Clay, Emily Garnett, Edmon Low, Charles V. Park, and Samuel W. McAllister, chairman.