The Recession and Its Effect on Academic Health Sciences Libraries

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On May 29, 2009 the Wall Street Journal ran an article that discusses the current financial bind faced by many universities. The article reported that university endowments will shrink by 25% to 30% for the fiscal year ending in June 2009. Some wealthier schools, which are also top institutions that receive NIH funding, rely on endowments for 20% to 40% of their operating revenue compared with about 5% at the typical college/university. This effect is putting financial pressure on a library's ability to maintain multiyear agreements to publishers' bundles (Big Deals) and biomedical and clinical decision making databases. With the loss of content, users will seek out content through open-access venues such as PubMed Central and institutional and subject repositories, and expect libraries to support pay-per-view and traditional interlibrary loan services to satisfy research needs. There will be a shift from annual subscriptions and leasing aggregated content to libraries securing articles. This is a fundamental change in how libraries procure content in that instead of buying the journal or bundle, it is purchasing the individual article.

Current Challenges

- With budget cuts, institutions look for new revenue sources
- Pressure to be more efficient is changing how services are delivered
- Institutions struggle to constrain expenditures
- Cost increases for content, operations, & salary/benefits

Fiscal prospects for higher education are not rosy

Sustainable Alternatives

1. Virtual learning communities & research partnerships amongst academic health sciences institutions with similar subfields
2. Tap funding agencies & academic administrators to subsidize author fees for Open Access journals
3. Support publications that make their content publicly accessible after a short embargo period
4. Pay-per-view options to replace direct ownership of content

Five-Year Financial Landscape

- Decline in State supported dollars
- Decline in private donations
- Shrinking endowments
- Slower faculty recruitment, salary freezes & staff reductions
- Slow down in capital improvements & expansion projects

Effect on Health Sciences Libraries

Reduction in library funding from main sources

Downsizing staff & freezing positions

Consolidation of library services

Reduction of funds for staff development & training

Renegotiating or cancelling publisher & service contracts

Delay in building renovations & replacing equipment

Reduction in operational hours

Increased fees for charge-back services