MEMBERS: Ashley Reid R. Barbour (2004/5-2006/7); Larry Benninger (2005/6-2007/8); Frank Dominguez (2005/6-2007/8); Carl Ernst (2004/5-2006/7); Jon W. Finson (2004/5-2006/7); Paul H. Frampton (2006/7-2008/9); Carol Jenkins (2005/06, replacing Paul Farel); Paul M. Jones (2005/06-2007/08); Diane M. Juffras (2004/5-2006/7); Charles Kurzman (2005/6-2007/8); Megan Matchinske (2006/9); Robert K. Peet (2005/6-2007/8); Richard J. A. Talbert (2004/5-2006/7); Paul H. Tiesinga (2004/5-2006/7); A. Mark Weisburd (2006/7-2008/9); Thomas M. Whitmore (2006/7-2008/9); Margaretta Yarborough (2004/5-2006/7)

Graduate Student representatives: vacant

Undergraduate Student representative: Emily O’Rourke

Ex officio: Linda Dykstra, Sarah Michalak

MEMBERS LEAVING DURING PAST YEAR: Daniel Anderson (2003/4-2005/6); Michael Gagne (2004/4-2005/6); John Kasson (2003/4-2005/6); Charlotte Mason (2003/4-2005/6);

NUMBER OF ANNUAL MEETINGS: Eight

REPORT PREPARED BY: Robert K. Peet, Chair

Approved by the Board February 2, 2007

CHARGE:

Shall advise the University Librarian on the administration of the University Library system; formulate, together with the University Librarian, the basic policies governing the acquisition of library materials and the use of such materials; allocate, with the advice of the University Librarian, the book funds which are not specifically designated; submit to the Chancellor, through the University Librarian, its advice on the establishment or discontinuance of library service units outside of the general library building; review the University Librarian’s budget request; and report annually to the Faculty Council.

COLLECTIONS

The UNC-CH Library is currently ranked 17 among 114 academic research libraries in North America, largely on the strength of its collections and continuing acquisition of new materials. We are pleased that our standing remains high and that acquisitions have not been significantly impacted by the budgetary problems of the Library.

Digital access to library material is rapidly increasing. This is accompanied by increased costs, complex contract negotiations, and the need for new staff and new services. The Board reviewed contract negotiations for digital access to serials with particular emphasis on the Elsevier contract. The Board also discussed and provided suggestions
for the on-going development of a digital curation and institutional repository facility, and reviewed policies for electronic reserves.

**MATERIALS BUDGET:**
The Board reviewed and approved the Library’s materials budget proposal for 2006-07. Although the Board has authority to approve the expenditure of state funds only, the materials budget outlined expenditure plans for all major sources of materials funding.

Library System has been running a chronic annual deficit in its materials budget, owing to extraordinarily high inflation rates for journals, the declining value of the US dollar, the failure until last year of the budget to include a correction for inflation, and because we have not received any significant new acquisitions funding. We anticipate a budget shortfall for University libraries (Academic Affairs, Health Affairs, and Law) of approximately $4,500,000 this year, despite increases provided last year. This shortfall is equivalent to 37% of state funds or 35% of all continuing funds spent in 2005-2006 for purchase of serials and books. Each year the Provost’s office responds to the deficit by finding one-time money to cover the shortfall. The Library, in return, covers part of the shortfall by diverting other funds in its budget to materials, and also tries to cancel additional journals and avoid purchase of new ones. The uncertainty of the annual supplement makes the system fragile, and we worry about the year when the funds might not be available and the terrible implications this would have for the collection and its users. Our goal is to reach an agreement with the administration where the deficit would be replaced by addition of new funds, and in return the Library would agree to live within a budget with built-in inflationary increases (even if they are normal inflationary increases, which are significantly lower than those that characterize scholarly journals). We were extremely pleased when earlier this year the Chapel Hill campus forwarded a request to the General Administration to add recurring funds that would remove the deficit. Unfortunately, that request was not included in the budget forwarded from GA to the Legislature.

**OPERATIONS BUDGET:**
The Association of Research Libraries ranks the UNC library at 44 among 114 peer institutions in the salaries of its professional staff. The fact that despite these low salaries ARL ranks the UNC Library 17 in overall quality speaks well of the dedication and effectiveness of the library staff. We certainly hope the unjustifiably low salaries of the professional staff can be improved, but at the same time we gratefully acknowledge the help of the administration in moving our rank up from a much more dreadful 63rd position two years ago.

The salary problems in the Library are not confined to the professional (EPA) staff. The SPA staff has one of the lowest percentages of employees making salaries at or above the minimum of the ranges for their positions of all units within the Academic Affairs side of the University.

President Bowles has mandated that throughout the UNC system funds be cut for support activities and that these funds be redirected to core (teaching & research)
activities (the PACE initiative). The Library is considered by the General Administration to be almost entirely a support unit. This is not in keeping with the considerable role the Library has in the dissemination of knowledge, nor is it consistent with the fact that Librarians enjoy faculty status. This causes us both immediate and long-term concerns. Our immediate concern is the pending mandate for the Library to return $200,000 in continuing funding each year for the next five years for a total budget loss in recurring funds of $1,000,000. Cuts of this magnitude are extremely difficult in any circumstance, but the Library has already been forced to become as efficient as possible to compensate for the shortfall in the materials budget. Our more long-term concern is that the General Administration may substantially underestimate the core role of the Library in the creation and dissemination of knowledge that constitutes the core mission of the University.

PLANNING:
During spring 2005 under the guidance of University Librarian Sarah Michalak, the library developed a strategic plan that includes mission, vision, and values statements, and that addresses six core issues (collections, services, staff and organization, the digital library, communication, and facilities). Ms. Michalak noted that the plan will provide a road map while allowing the Library to respond to opportunities that might arise. The Board conducted what it expects will become the first of a series of annual reviews of the plan and associated progress.

FACILITIES:
*Infrastructural renovations of Davis Library*: Davis Library is approaching its 25th anniversary. Last year engineers completed a study of requirements for bringing the facility up to current requirements, including such components as air conditioning, heating, and fire protection. No money is budgeted yet for these essential repairs, though a placeholder of $35 million resides fairly far down Chapel Hill’s list of capital projects. The overall cost of the project as estimated by a team of consulting engineers is between $50 and $60 million.

*Design, use, and layout of the lower floors of Davis Library*: The layout of public space in the lower floors of Davis Library reflects library design of the era when it was built, but use of libraries has changed considerably since that time and continues to evolve rapidly. The lower floors of the Davis Library represent some of the prime space on campus but need to be updated to reflect changing patterns of use of library space. A committee has been formed to study the public spaces of Davis Library and propose reconfiguration in keeping with changing needs of the Library’s users and reflecting national trends in use of library space. Since a major renovation may be many years away, the Library will need to go ahead with affordable changes in a modular fashion. However, the best time to implement the major changes in user and service space would be during a major renovation of the building as proposed in the engineering study of 2005-06.

*Science Library*: Currently the Chemistry and Zoology libraries are largely located in temporary quarters in Wilson Library and there are no plans to move them to permanent
facilities in the near future. A new facility is needed. A new science library incorporating all the science disciplines for which we currently have branches would provide significant increases in efficiency of operation and would free space for departmental use. Such a building is recognized in University planning documents for the Science Complex, but has low priority for funding.

**SCHOLARLY COMMUNICATION:**
In meetings spanning at least the past decade the Administrative Board of the Library has repeatedly emphasized the need to educate faculty about excessively high prices charged by for-profit publishers (often 4-6 times the price per page as compared with publications of professional societies) and about options for protecting the rights of the author and University when signing copyright transfer agreements. In addition, the Board has historically worked to encourage publication in open access outlets and has observed the need for expanding the archive function currently associated with the Library to include the equivalent of a digital institutional repository. In spring 2005 the Provost, in response to the report of the Convocation on Scholarly Communication held in January 2005, established two limited-term committees, one on Scholarly Communication and one on Digital Curation and Institutional Repositories. The Administrative Board has maintained an advisory role to these committees, consistent with our shared concerns and responsibilities.

Additionally in a presentation and discussion with Deborah Gerhardt, the library's copyright and scholarly communications director, the Board reviewed some of the issues regarding copyright and learned more about the potential chilling effects of copyright agreements between faculty and many of the large commercial publishers who tend to demand a very narrow interpretation of fair use. We also considered the high costs resulting from the University's current interpretation of fair use guidelines for electronic reserve.

The Board is continuing to study and debate how the academic community can address the high price increases of the commercially published journals, especially those in science, medicine and certain disciplines of the social sciences.