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## **Allocating a Portion of a Faculty Endowment for Support of Related Library Collections: Developing a Position Paper for the Academic Library Advancement and Development Network**

By Mary Ann Houff Shields, *CFRE IUPUI*; Adriana Ercolano, *George Mason University*; Samuel T. Huang, *University of Arizona*; Gwendolen Leighty, *Smithsonian Institution*; Barton Lessin, *Wayne State University*; Patrick O'Neill, *Johns Hopkins University*

### **Introduction**

The Academic Library Advancement and Development Network (ALADN) is an unincorporated national organization of academic library advancement professionals, deans and directors, and librarians that exists primarily as an online discussion group for library development (fundraising) issues. Despite its appearance as only a “virtual” organization, ALADN members convene for yearly meetings to discuss problems and trends in the library world, fundraising topics in general, and library development specifically.

The concept of an academic institution allocating a portion of a faculty endowment to its supporting academic library for the collection of related information resources has been the subject of discussion on the ALADN list for a number of years. During the ALADN conference in 2004, attendees decided in plenary session to convene a working group to explore the notion of advocating the concept that a given percentage of the funding for each new faculty endowment be allocated for library collection in the discipline.

### **ALADN’s Position**

Because its library collection is essential to the mission of an academic institution, and the depth of the collection in the relevant field is crucial to the research success of holders of professorships and other faculty endowments, a comprehensive faculty endowment ideally includes funds for the related library collection. The Academic Library Advancement and Development Network (ALADN) is considering endorsement of the following principles as “Best Practice” at colleges and universities soliciting for faculty endowments:

1. The institution will establish a percentage of the funding for each new faculty endowment, or a flat sum as the institution finds appropriate, as funding for the supporting library for collection in the related discipline.
2. This practice will be conveyed to the potential donor during discussions and as a matter of record in any agreement prepared between the institution and the donor.

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3. To assure an adequate level of support, this percentage or sum may be increased for specific endowments.
4. The portion of the endowment allocated for the library's use will be made available for the library to spend in an efficient and timely manner, consistent with the institution's accounting policies and procedures.
5. The academic library supporting the chair's school, academic unit or program will be ready to assist with cultivation and stewardship of the donor.

## Creating support for library endowments

ALADN sees such a comprehensive endowment practice as benefiting institutions of higher education and their supporting libraries by ensuring faculty have at their disposal information resources consistent with their research requirements and teaching responsibilities. Such a practice should also serve as a motivating factor for donors who will want to ensure that the holder of an endowed position has the necessary tools for success. Additionally, the presence of a mechanism by which the faculty member may significantly impact the choice of resource materials in his or her discipline's collection is a perquisite that may be seen as a valuable incentive to accept the position.

## The ALADN Endowment Allocations for Libraries Survey

Research conducted for the position paper included a literature search to discover if any surveys had been conducted to ascertain whether existing faculty endowments included such allocations for the supporting academic library. The search of literature also sought information about the effects of such allocations. Apparently, this issue had not been explored at any depth prior to its discussion on the ALADN list.

To gauge the extent to which endowment allocations for libraries are accepted practice in academic institutions nationally, the ALADN working group created an electronic survey instrument. The survey had three goals: to quantify the use of the practice of establishing endowment allocations, to determine how many academic library development officers had attempted to establish these arrangements at their institutions, and to determine the results of their efforts.

The survey sought examples of:

- successful allocation policies,
- gift agreement language,
- percentages and dollar amounts used for allocations to libraries
- descriptions of how such allocation policies were developed, adopted, or rejected; and
- how allocation programs work in practice.

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The survey was posted on the Library Development website managed by the University of Arizona; identification of the survey site and a request to complete the survey was sent via e-mail to members of the ALADN list and to advancement professionals, deans, and university librarians belonging to the Association of Research Libraries (ARL).<sup>1</sup> The survey site announcement was preceded by two days by an e-mail describing the survey and asking the recipients to expect directions to the survey site to follow; and it was followed by a reminder one week later to complete the survey and submit it. The survey was conducted in September of 2004.

Interestingly, once the survey had closed, “chatter” on the ARL and ALADN lists on the topic of endowment allocations for libraries (sometimes called “embedded endowments”) increased, as development officers and deans began to believe that this practice might be useful in their institutions’ fundraising efforts.

## Summary of Survey Results

The e-mail requesting that correspondents take the survey was sent to the entire ALADN list and 124 members of the ARL list. Fifty-two responses were received. Each respondent institution was assigned a consecutive number in order of receipt to maintain confidentiality.

The survey questions sought to answer two main questions:

1. How many institutions currently have a practice requiring allocations for libraries within faculty endowments, and
2. If no such practice exists at a given institution, has the concept of such a comprehensive endowment been broached?

The answers are telling: only two respondents answered that such a practice currently exists at their institutions (question #1), and eighteen responded that no such practice currently exists but that they have attempted to open the discussion or institute such a practice at their institutions (question #13).

From the additional written comments received, it is clear that many respondents have attempted to raise this issue and have encountered significant resistance. Of the thirty-eight respondents who added written comments to their survey responses, fifteen have in the recent past discussed or are currently discussing the issue with administration, nine have received outright rejections of the concept, and only three claim that the responses have been positive. One institution’s Council of Deans refused further discussion of the subject after only two deans expressed negative opinions of the proposed practice. Another library development officer received support for the idea from the chief academic officer, with a caveat that for the sciences, earmarked funds might be more appropriately spent on labs.

Survey comments make it clear that a number of libraries are receiving some level

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<sup>1</sup> There is no membership list and so no obtainable numerical value of potential ALADN participants, as the list is set up as self-subscribing and no one has access to the addresses according to the privacy protocol instituted at its initiation. Participants self-identify when they respond to a query on the list. Therefore, some recipients of the ALADN e-mail requesting participation in the survey may be on both the ALADN and the ARL lists.

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of support at the vice presidential or provost level. But verbal and/or political backing has generally not been forthcoming from development officers or college or university foundation staff. Typical of the responses received was this comment: "I have brought this subject up in development meetings and it has not been met with enthusiasm by fellow development officers or central development. There are concerns that a percentage for the library will take away funding for their college projects."

Some libraries have adopted the approach of waiting until a faculty endowment is secured and then attempting to make a second ask for supporting library collections. These solicitations do not appear to be very successful. One respondent wrote of receiving grudging permission to follow up on a successful solicitation with a request for support for the library, but no follow-up support from the project managers. The managers did however approach the donor with other projects.

Two responding institutions do have allocations for their libraries written into the gift agreements with donors for specific chairs. These appear to have been the idea of someone other than the school's staff. In one instance, the allocation was created because the donor is a librarian. Even in this instance, the account for the library is held by another unit. In the second instance, a provost allocated monies earned but not spent by the school to the library.

However, there is at least one shining example of how well a comprehensive endowment including funding for the library can work in the policy adopted by Johns Hopkins University in 2000. Patrick O'Neill, then of the Sheridan Libraries, originated the ALADN endowment discussion with his posting in 2003 of the Johns Hopkins policy creating just such allocations for the Sheridan Libraries in endowments for every newly established chair. At the time, Johns Hopkins required \$2,000,000 to establish a named chair, and 12.5% of each chair endowment, or \$250,000, was set aside as endowment for the library. Four endowments were subsequently funded, leading to \$1 million set aside for the library.

A good number of the institutions surveyed are taking a "wait and see" approach. In fact, ten of the respondents specifically mentioned in the survey that they are looking forward to the results of this survey to bolster their arguments as they continue to advocate for such a practice. "The Dean of the Libraries and I are gearing up to propose this, and I'm sure the information generated from ALADN's efforts will be enormously helpful," wrote one respondent. Other email received by the working group indicated the same eagerness for both research on current practice and a position adopted by ALADN that could be cited in arguments for a university or college adopting such a practice.

## Conclusion

The survey comments suggest a sense of frustration among many academic library development officers and library administrators. Some of the respondents spoke to the challenges encountered in trying to collaborate with the development officers from other academic units. Alumni are frequently regarded as the "property" of the academic units from which they received their degrees and in general are off-limits to the libraries unless a clear donor-initiated interest is established. It is possible that the adoption of the ALADN position as a "best practice" recommended by national library

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and education groups such as the American Library Association (ALA) and the Council for the Advancement and Support of Education (CASE) may lead to a greater understanding and cooperation among the development professionals at a given institution.

ALADN's goal with this endowment initiative is to increase awareness of the inherent benefits of a practice that results in the generation of library funding with the creation of new faculty endowments. Such allocations enhance available information resources for the faculty and for all the patrons of the libraries so endowed. The acceptance of this approach may go far in helping institutions to recruit and retain the best scholars and brightest students. It may indeed motivate donors who wish to see the recipients of their gifts provided with the best and most extensive resources for success in their research.

## Appendix: Summary of Survey Results

1. When an endowed chair is established at your institution, is a portion of the funding required to be allocated for the library?
  - a. Yes. When was this practice instituted?
  - b. Skip to question #13)

Yes: 2 (3.9%)

Respondents #10 and #13

No: 50 (96.2%)

Of the respondents that answered "yes," only #13 answered that the practice was instituted in 2000.

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## SUMMARIES OF QUESTIONS 2 THROUGH 12 APPLY ONLY TO THE TWO RESPONDENTS (#10 AND #13) THAT ANSWERED "Yes" TO QUESTION #1.

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2. If you answered "Yes" to question #1, is it a percentage of the endowment?
  - a. Yes. What percentage?
  - b. No

Respondent #10	Varies with each college
Respondent #13	No

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3. If you answered "No" to question #2, is it a fixed amount?
  - a. Yes. What amount?

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b. No.

Respondent #10 DNR  
Respondent #13 \$300,000

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4. What is the minimum required gift to establish an endowed chair at your institution?

6 responses total:

Respondent #10 \$1.25 million  
Respondent #13 \$2.5 million  
Respondent #31 \$500,000  
Respondent #35 \$2.5 million  
Respondent #37 \$1 million  
Respondent #42 \$1.5 million

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5. When the endowment practice with the library allocation was instituted, did your institution raise the level of funding required for named chairs to compensate for the library allocation?

a. Yes  
b. No

Respondent #10 Yes  
Respondent #13 No

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6. Does your institution have required language for the endowment agreement that describes a library allocation?

a. Yes.  
b. No

Respondent #10 No  
Respondent #13 No

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7. Does your institution now have any endowed chairs that include an allocation for the library?

a. Yes  
b. No (skip to question #10)

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Respondent #10      No  
Respondent #13      Yes

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8.  
For each chair endowment that has an allocation, please indicate in the box below whether “a” or “b” applies.
- a.      These library funds are restricted to the chair’s area of study
  - b.      These funds are not restricted to the chair’s area of study

Respondent #10      DNR  
Respondent #13      a.

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9.  
For those endowments with an allocation for the library, choose (a), (b), or (c):
- a.      The allocation amounts are based on a percentage of the total endowment. What percentage?
  - b.      The allocation is based on a negotiated flat dollar amount agreed to with the department, college, or school where the endowment is located.
  - c.      Our institution has endowments with amounts allocated for the library that were calculated using a percentage of the endowment and others using a negotiated flat dollar amount.

Respondent #10      DNR  
Respondent #13      c.

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10.  
Is the library dean or development officer involved in the gift negotiation for the allocation?
- a.      Yes. How?
  - b.      No

Respondent #10      No  
Respondent #13      Yes

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11.  
What has been the general response of donors to the requirement of an allocation?
- a.      Very supportive of this approach
  - b.      Reasonably supportive
  - c.      Did not initially like the concept
  - d.      Very resistant to the allocation
  - e.      Other. Please explain.

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Respondent #10 c.  
Respondent #13 a.

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12. What has been the general response of faculty, especially those who hold the endowed chair?
- a. Very Supportive
  - b. Reasonably Supportive
  - c. Nonchalant
  - d. Disagree with the practice

Respondent #10 c.  
Respondent #13 a.

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13. If an allocation to support the library is not required for endowments at your institution, have you tried to have a practice requiring allocations established?
- a. Yes.  
Please describe your efforts and attach any written suggested gift agreement language you created.
  - b. No (skip to question #21)

**48 responses total**

Yes 18 (35.3%)  
No 31 (59.6%)  
DNR 3 (5.9%)

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14. If you prepared a proposal for an allocation practice, what kind of a response did it receive from administration?
- a. Positive response
  - b. Received but not responded to
  - c. Negative response

**9 responses total**

a. 3  
b. 3  
c. 3  
DNR 42

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15. What has been the general response by development officers in other units to the suggested allocation practice?
- a. Positive response
  - b. Received but not responded to
  - c. Negative response

12 total responses

a. 2  
b. 6  
c. 4  
DNR 39

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16. If an allocation for the library is not required, are you allowed to follow up the successful solicitation of a chair endowment with a request for a library endowment to support the chair?
- a. Yes
  - b. No (skip to question #21)

14 total responses

Yes 5  
No 9  
DNR-37

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17. How often has this solicitation proven successful?
- a. 0 times
  - b. 1-2 times
  - c. 3-4 times
  - d. 5 or more times

6 total responses

a. 4  
b. 1  
c. 1  
d. 0  
DNR 45

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18. If your institution requires an allocation or you are successful with a follow-up solicitation for a library endowment to support the chair, do you know if this has assisted in recruitment of faculty to fill endowed chairs?
- a. Yes, I am aware that the library allocation was a contributing factor in faculty recruitment in one or more cases.
  - b. No, I am unaware if the library allocation impacted the recruitment of faculty for endowed chairs either positively or negatively.

3 total responses

Yes 0  
No 3  
DNR 48

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See additional sheets for all comments

19. Please share comments made by recruiters or chairs as to the value of a library allocation in the decision of the chair-holder to accept the chair or the lack of a allocation in a decision to decline the chair.
20. If your institution has an endowed chair library allocation practice, please describe the way in which the holder of the chair and the librarian work together to select books and other materials in the chair-holder's discipline
21. Is there anything else you would like to share?