



Flyer 241

The Gifts and Exchange Function in ARL Libraries

March 1999

INTRODUCTION

The decision to prepare a third SPEC Kit on the gifts and exchange (G&E) function in ARL libraries was prompted not only by the lapse of more than a decade since the publication of SPEC Kit #117 (*The Gifts and Exchange Function in ARL Libraries*, 1985), which had in its turn updated the first kit examining G&E operations (SPEC Kit #28, *Gifts and Exchange Functions*, 1976), but more importantly by the radical changes that have swept the library profession over the past 12 years at a pace that shows no sign of slackening.

SURVEY RESULTS

Our intention in drafting the survey questionnaire was to invite as much comment by respondents as possible. Many respondents did supply comments, and we have included the most representative and illuminating of these replies.

The survey was sent to 119 ARL institutions via email; out of that number, 72 replies were received. The survey instructed respondents who answered the first question in the negative to return the survey without answering any further questions. Fifteen participants responded no, yet five of them added useful answers to a number of questions. Consequently, 62 surveys were then reviewed and collated, and the results are summarized here.

One of the most radical changes in G&E programs is the fact that operations which had been entirely manual five years ago in some libraries are fully automated now, and as a result work flow and procedures may be entirely different. For example, 51 of our 62 respondents (over 82%) reported an increase in automation for G&E processing, with only nine reporting no change (predictably, no one reports a decrease in automation). A surprisingly wide variety of software is used by the responding institutions; the advantages and disadvantages of some are listed in the survey results.

Hand-in-hand with technological changes have been economic pressures that have caused a number of institutions to cut staff in many departments, and libraries have been particularly hard-hit. In a few cases, libraries have

dropped their gifts and/or exchange programs entirely. Nineteen respondents (about 31%) attributed the changes in their G&E organization to budget cuts, combined with other causal factors—mostly reorganization—in a number of cases.

Reorganization has followed on the heels of automation, as processes that were once entirely separate, such as acquisitions and cataloguing, have had their borders blurred, if not erased. Thirty-five respondents (56%) reported that their G&E operations have undergone administrative change due entirely or in part to general or localized library reorganization. In some cases, as mentioned above, this has resulted from or been combined with budget cuts; in others, a combination of factors has been at work. Other factors cited include a cost analysis of handling gifts, reduction of staff, and revision of collecting guidelines.

The current reorganization continues a trend that was evident in the 1985 G&E SPEC Kit. Fully three-quarters (46) of the respondents to the present survey noted that they had experienced organizational change since 1985, which suggests that the trend has not slackened.

In some responding libraries, G&E operations have moved from one department to another, for example, from collection development to acquisitions or vice-versa. In one library, the move was from collection development to acquisitions to a combined acquisitions/collection development department. In one case, there had been a merger between cataloguing and acquisitions; in yet another, the library now has a development officer whose responsibilities encompass raising money for the library and working with G&E on nonmonetary gifts. These changes reflect a new approach to library administration in which the new efficiencies offered and required by automation call for new staffing patterns.

Reexamination of gift policies has also taken place. As financial, personnel, and space resources are stretched, many libraries have felt a need to restrict their acceptance of gift materials or relax their restrictions on sales of unwanted material. In some public institutions, the matter has been complicated by the fact that library materials, including unwanted gifts, are considered state property

and cannot be disposed of. The consequent need for diplomacy in refusing unwanted gifts is a concern to almost all libraries; tactful ways of declining, such as suggesting other institutions and explaining the library's space and budget constraints, were listed as methods used. In some cases, however, libraries find themselves in the position of accepting a gift for financial or political reasons, which is sometimes disposed of discreetly at a later date.

Recent changes in U.S. tax laws have also had an effect on gifts programs. The requirement that a recipient institution retain for two years any gift valued at \$500 or above (such gifts require the donor to file IRS form 8283) before disposing of unwanted portions has caused many institutions to refuse large gifts. Conversely, some U.S. libraries feel that the 1989 tax law change regarding the alternative minimum tax (since rescinded), which limited the deductions possible for large or valuable donations, caused a decline in the number of collections offered. Of course, Canadian libraries have not felt repercussions from the U.S. legal changes. Interestingly enough, however, while no U.S. respondents indicated having had legal problems with taxes on gifts, some Canadian university libraries reported legal difficulties because of their in-house valuations.

All libraries surveyed have received requests for valuations, but it should be remembered that while Canadian laws do not prohibit donee evaluations as U.S. laws do, this applies only to gifts valued at less than \$1000 (Canadian).

While almost all libraries refer donors to qualified professionals when asked for appraisals, respondents mentioned other solutions as well, for example, allowing the donor to look up prices in the library's dealer catalogues or auction records, giving a general idea of a book's value, or even arranging for an outside appraiser to visit the institution each year to assess large or valuable gifts. Several respondents clarified their answer regarding recommending appraisers by pointing out that they do not so much recommend as provide names for a donor to choose from.

Finally, a major development of the past decade, whose ramifications have been felt upon exchange programs, was the breakdown of the former Soviet Union and the many other political upheavals and uncertainties around the world. Since the majority of exchange programs in U.S. libraries are with foreign institutions, these changes have been reflected in the work of exchange units.

Twenty-six libraries (42%) reported a decrease in exchange activity, and while this may not be entirely due to

recent world events, a number of respondents specifically cited conditions in the former Soviet countries as directly affecting the availability of desired exchange receipts.

Budgetary and personnel changes have also had an impact on exchange activity, and once again while other factors may be at work, nine of the respondents who reported declines in exchange activity specifically mentioned budget or staff cuts as causal factors.

CONCLUSION

The question remains: Are libraries phasing out their G&E programs? Some of the collected data would seem to support this conclusion, yet this appearance may be more a reaction to recent economic pressures than a long-term movement. While international uncertainties have profound effects on exchange programs, rendering them perhaps less viable, there is little doubt that libraries will continue to find exchange programs a useful means of obtaining materials while engaging in a mutually beneficial sharing of resources with other institutions. Furthermore, it is certain that libraries will continue to receive gifts, both in-kind and monetary. It is therefore unlikely that G&E programs will disappear from the library scene.

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