

Analysis of Library Budget: With Special Reference to Sajaji Rao Gaekwad Central Library Banaras Hindu University, Varanasi, India

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Abstract - University libraries all over the world have their own place of importance in the scheme of higher learning. Libraries are not only repositories of knowledge but also dispensers of such knowledge. The development and execution of the library budget is one of the library director's most important tasks. The process should be integrated with the planning and evaluation of library services. Once reviewed and approved by the library board, the budget serves as a roadmap for the delivery of library services in the subsequent year. This chapter will outline a typical procedure for creating and approving the library budget. This study discusses the execution and administration of the library budget. The budget process provides an opportunity to request necessary funding for established services, as well as supplemental support to address increased use or provide new services. The budget also creates a way to track required revenues and reportable expenditures.

Keywords: Library Budget, Banaras Hindu University

I. INTRODUCTION

Library management involves functions such as planning, organizing, leading, and controlling. Planning is about systematically making decisions about the library goals. University is about assembling and coordinating human, financial, physical, informational, and other resources needed to achieve library goals. Leading is about functions that involve efforts on the part of the librarian to stimulate high performance by employees, and controlling about monitoring various library operations and services. These four management functions are highly integrated, but libraries that excel in organizing material resources and in leading their human capital are known to give better performance.

While there is no statutory requirement that libraries develop budget requests to submit to their governing authorities require them, and a carefully considered budget is one of the responsibilities in librarian role. In order to operate effectively and maximize your ability to obtain appropriate local funds, you and your board should create and follow a budget each year. By going through a formal budget process, libraries establish a financial foundation for library operations. Budget must have contingency funds for

Binding and other stationery needed to process and maintain the Books/Journals

II. BUDGET

Budget is defined as, “an estimate, often itemized, of expected income and expense, or operating results, for a given period in the future.” Thus a library budget is an estimate of expected income and expenditure of the library for the coming year. As budget is an estimate, therefore, it can be altered, if the circumstances change. It needs to be flexible enough to meet the changing needs. However, any alteration should be carried out very carefully. Budgeting in libraries is usually done on yearly basis. On the other hand an annual financial report or statement tells us as to what was achieved as well as what could not be done last year.

III. PURPOSE AND IMPORTANCE OF BUDGET

By means of a budget, a library is able to limit its expenditure to income. In addition, a budget enables it do spending in a systematic manner.

Budgeting is the primary means by which formulated plans can be carried out. Budgeting is considered important from the administrative point of view as, “it serves as an effective management tool. It gives all direction; it coordinates all administrative functions by guaranteeing exchange of information on policies, programmes and finances; it insures automatic, regular consideration and re-evaluation of long range plans. Budget making also provides the occasion for periodic review and reassessment of the changing needs of the constituency and resources. Budget is the most important control device to measure programmes of a library and their effectiveness. Budget is used as a tool of planning and control. It reflects the goals and objectives of the library. It also defines the authority of the librarian towards achievement of those goals and objectives. Thus budget is crucial to the success of a library towards meeting needs of its users.

IV. FACTORS INVOLVED

Budget is affected by the following factors

1. Size of library in terms of collection, staff and scale, of its operations
2. Location and its physical arrangement,
3. Kinds of library services,
4. Types of users served,
5. Rising costs, and
6. Period covered (usually it will be one year).

V. TYPES OF BUDGET

Following are the types of budget

1. *LINE-ITEM BUDGET*: This is most common type of budget. Here the expenditure is divided into broad categories such as; Salary and wages, Books, periodicals and other reading materials, equipment, binding, stationary and printing, supplies, insurance and miscellaneous. It is possible to list items within broad categories, however this brings in inflexibility, whereby money from one item cannot be shifted to another one easily. Suppose prices of books gone up by 10% then authorities would understand the reason for 10% increase in book allocation.
2. *LUMP SUM BUDGET*: In this approach, a certain amount of money is allocated to the library. The library decides as to how that amount is going to be allocated to different categories. This gives considerable freedom to the librarian to allocate funds.
3. *FORMULA BUDGET*: Here predetermined standards are applied for allocation of money. The formula is going to be allocated to different categories. Thus gives considerable freedom to a librarian to allocate funds.
4. *PERFORMANCE BUDGET*: It “bases expenditures on the performance of activities and emphasizes efficiency operations” describes in detail the resources (men, material and money) required to accomplish the proposal and extend of programme to be achieved during the next fiscal year.
5. *PROGRAMME BUDGET*: Here we are concerned with activities of organization but individual items or expenditures are ignored. The amounts are allocated to programmes or services rendered. It does not require expensive cost measurement studies implied in performance budget.
6. *PLANNING PROGRAMMING BUDGETING SYSTEM*: Many complex organizations including some libraries are using PPBS a technique, which combines the best of programme budgeting and performance budgeting.

VI. BUDGET PROCESS

In University level, the annual budgetary process involves the following 3 phases:

1. *PREPARATION*: The preparation phase is usually the responsibility of the University librarian. It is accomplished by analyzing past financial data and allocating the anticipated library resources to provide the various services and activities for library users.

2. *ADOPTION*: Once the budget has been prepared, it is presented to the University Financial Committee for consideration, possible modification and final approval.

3. *EXECUTION*: Budgetary accounts are set up to record the estimated revenue and expenditures for the appropriate funds. As economic conditions and circumstances change, budget amounts can be amended by a process determined by the University Financial Committee. Typically, the process is very similar to that of the original budget. The budgetary amounts are then compared with actual amounts periodically (usually monthly). This allows the university librarian to effectively operate the library.

VII. THE NEED FOR BUDGETING IN LIBRARIES

A budget is a guide or directive for financial management. Libraries need funds for services, and these services must be budgeted for. Fletcher (1990) gives two definitions of a budget, calling it "the overall picture of allocations (for expenditure) and income," as well as "the financial allocation for specific purpose or purposes during a given period." Although libraries are service-oriented and have no revenue-generating motives or objectives, they still obviously require a budget.

The need for budgets in libraries is increasingly important. The collection development (books and journals) that must be managed continues to grow. There is an increasing demand for online resources and services. Libraries must effectively divide funds between staff and materials, which include acquisitions, services, and equipment. University Library financial management is becoming more decentralized. It is within this framework that budgeting for BHU library is approached.

VIII. SOURCES OF FUNDING

Fines may be a source of library revenue, the revenue stream is minimal compared to other sources, and fines can create ill feelings among borrowers, or discourage use of the library. Fees and charges for such things as making computer printouts and using a photo copy machine are permitted. Very small amounts of income are made from

reprography and binding, Grants and gifts can be an excellent source of supplementary funds for Library.

IX. LIBRARY BUDGET /FINANCES

Library budget means the financial allocation to procure documents and provide access to the information resources. The present annual library budget of the library has the following components:

1. UGC Plan Grants
2. Allocation from University
3. Trust/endowment Grants
4. Five year plan Grand– every five year plan of central Government
4. Allocation from Project Grants

Several projects are being carried out at BHU. Most of them depend upon to a great extent on library infrastructure for the learning resources and internet access. However, not all projects have a separate allocation to be given to library for using the library facility. In this case, each project, should earmark at least 8 % of its total project cost towards library

expenditure. All the learning resources needed by the project and their faculties are procured using their own project funds.

X. PROCUREMENT OF RESOURCES

Library will grow only when it is supported by all who make use of its resources. Procurement of learning resource constitutes the primary responsibility of library. Library makes a systematic effort in building up the collection development by identifying, evaluating, selecting, processing and making it available to the users. Whether it's a book, journal or an online database, any learning resource that gets added goes through a rigorous selection process. And since this collection building requires huge sums of money. it is very much essential that libraries have a well thought out collection development policy.

XI. BUDGET OF BANARAS HINDU UNIVERSITY LIBRARY

Allocation of Library budget to the University is presented in Table 1

TABLE 1 BUDGET ANALYSIS OF BHU LIBRARY FOR LAST 10 YEARS

S.No.	Budget Year	For Print (in Lac)	Percent	For Online (in Lac)	Percent	Total (in Lac)
1	2001-2002	344	100	-	-	344
2	2002-2003	376	100	-	-	376
3	2003-2004	247	100	-	-	247
4	2004-2005	226	92	19.7	8	245.7
5	2005-2006	254	92	23.2	8	277.2
6	2006-2007	256	46	304.6	54	561
7	2007-2008	223	58	160.5	42	384
8	2008-2009	215	52	199.58	48	414.58
9	2009-2010	136	30	323.14	70	459
10	2010-2011	129	28	331	72	460
11	2011-2012	82.5	22	291	78	374

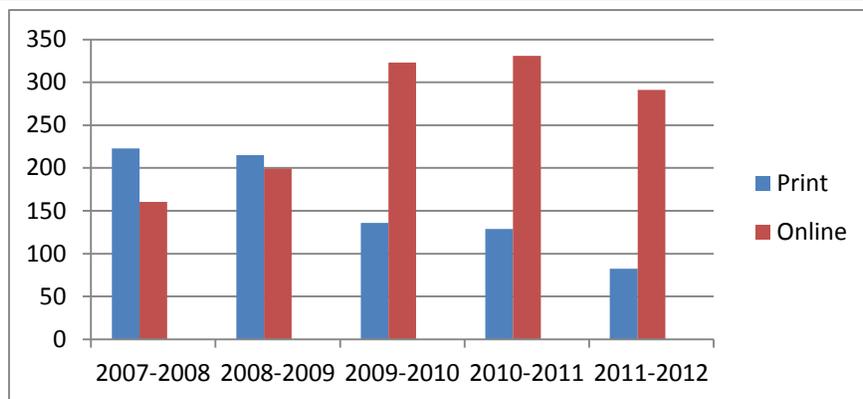


Fig 1 Amount spend from the year 2007- 2012 for Print and Online resources.

In this Table 1 and Figure 1 clearly stated the ten years budget of Banaras Hindu University. Last eight years (From 2004) occupies high amount for subscribing electronic resources. It is gradually increase the subscription of e-resources is high. Last 3 years shows subscription print resources is decreasing. In future, university library planning the budget in keep in mind of this study for procuring the print and electronic resources.

XII. RECOMMENDATIONS AND CONCLUSIONS

In an electronic age, budgeting for libraries is of utmost importance. The University library budget is the framework for running core library activities. No matter how small the resources, a plan must be made and or implemented.

Libraries should cultivate the culture of budgeting. Libraries are complex entities with enormous resources that require planning.

Librarians should embrace the principle of decentralized budgeting. Divisional, sectional and unit heads, and assistant librarians would then be involved in preparing and managing library budgets. This will enhance managerial skills and democratize financial management resulting in more transparency and accountability in the library's financial dealings.

Finally, budgeting in library services should necessarily include personnel, tools, equipment, and supplies, among other things. In an electronic age where most things have stopped to be done manually, provision for adequate library services infrastructure is a priority.

XIII. MODELS OF LIBRARY BUDGETS

There are a number of useful models for library budgeting. The Sno-Isle Libraries are a large public library system that provides library service to residents of Island and Snohomish counties in Washington State. Each annual budget includes an increase over the previous year, basing the figures on percentages. For example, technical services had 25.2% of the total budget in 2005, which was increased to 25.6% in 2006. The technical services budget has an appropriate prominence, receiving a quarter of the total library budget (<http://www.sno-isle.org/page/?ID=2036>).

The University of Alberta Library budgets by committing itself to digital collection research, content creation, and access services. They identify staffing for the digital environment as critical for the next few years. They have also planned extensively for technology replacement through "lifecycle budgeting." (<http://www.library.ualberta.ca/aboutus/budget/index.cfm>).

The University of Witwatersrand, Zimbabwe also has a budgeting system that caters to technology. The budget can be accessed at <http://www.ac.za/library/about/annreport2004.pdf>.

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