

Extra-University Sources of Financial Support for Libraries: A Symposium

A PERSON wishing to study the sources of operating funds in university libraries will find little to guide him in the existing literature. Practically nothing appears to have been written upon it, and the reason for the neglect is difficult to identify. Perhaps it is that historically there has been only one major source of operating funds—that is, the university coffers—which has been supplemented in varying degrees by gifts from private donors.

Recently altering social patterns, however, are having an impact on the sources of funds in university libraries. Tax laws are encouraging the establishment of philanthropic foundations. Business and industry are experiencing increased information needs and are seeking, in some cases, to purchase information from neighboring libraries. Most important, perhaps, of all is the growing tendency

on the part of the government to look upon our great libraries as a national resource which should be nourished from public funds.

What exactly is the present meaning of these new considerations in university library financing? Can trends be identified that will enable us to budget more intelligently for the future? Ought we to avail ourselves of new opportunities for fiscal support more than we have in the past? Are our impressions of the changing patterns of extra-university sources of library finance borne out by the facts? In an effort to find answers to these and other related questions, the University Libraries Section of the ACRL sponsored the following three papers. They were first read to the membership meeting of the group in Miami Beach on June 18—*David Kaser, Chairman, University Libraries Section.*

PRIVATE AND INDUSTRIAL FUNDS FOR UNIVERSITY LIBRARIES

By RALPH H. HOPP

IF ONE were to draw the profile of an academic librarian perhaps he would be inclined to include some of the characteristics of bookman, administrator, researcher, and professor but, according to considerable evidence, he would probably include less about such a person being a fund-raiser. This aspect of university library administration has been for many librarians one of the less desirable and somewhat less successful parts of their positions. This appears, how-

Mr. Hopp is Associate Director of Libraries, University of Minnesota.

ever, to be an area of considerable potential—one which ought not to be overlooked in this day of unprecedented development and growth of research libraries.

It is the purpose of this paper to examine extra-university support for academic libraries coming from essentially

private and commercial sources, excluding foundation and federal government funds. In order to base it on factual data the author resorted to the timeworn method of the questionnaire survey of libraries. This paper will describe the results of an analysis of the survey and make observations as to what might be potential sources of support which could be regarded as other than direct university allocations.

PRESENT STATUS OF LIBRARY GIFTS

In order to determine the magnitude of the segment of support of university libraries coming from private and commercial sources a survey was made of the libraries of those institutions holding membership in the Council of Graduate Schools. According to the most recent listing, a total of 135 institutions belonged to this group, and returns were received from eighty-two libraries, or 61 per cent of the membership.

In analyzing the survey results it ap-

peared useful to compare state tax-supported with privately-supported institutions. Also some attention was given to the relative sizes of the libraries within each category. Of the eighty-two libraries used, forty-seven were supported by state tax funds, thirty-two were privately supported, and three were libraries of municipal universities. Approximately half of the libraries had from one hundred thousand to five hundred thousand volumes each. Surprisingly, and bearing in mind that these are libraries of universities holding membership in the Council of Graduate Schools, fourteen had less than one hundred thousand volumes apiece. Twelve of the eighty-two had over one million volumes each. Therefore the distributions of the libraries by size formed the normal bell curve. Whether or not this adds to the validity of the statistical data is difficult to determine.

The total 1960-61 operating expenditures of the reporting libraries were just over fifty million dollars. If one were to

TABLE 1
Main Sources of Nonuniversity Funds Received by 82 Academic Libraries, 1960-61

SOURCE OF FUNDS	CASH RESOURCES RECEIVED			
	47 State Tax Supported University Libraries	32 Privately Supported University Libraries	3 Municipal Supported University Libraries	Total for all Libraries
Friends of the Library gifts.....	\$ 56,635	\$ 28,468	\$ 6,028	\$ 91,131
Memorial funds.....	89,583	33,148	2,120	124,851
Individual donors.....	140,032	64,626	8,280	212,938
Special gifts for buildings.....	425,000	5,428,848	0	5,853,848
Alumni contributions.....	53,226	2,500	837	56,563
Grants.....	43,256	1,500	800	45,556
Endowments.....	2,077,248	580,536	10,408	2,668,192
Fees from individual outside users.....	0	2,235	0	2,235
Service to industry fees.....	200	396	0	596
Sale of parts of gift collections.....	4,565	11,975	1,276	17,816
Class gifts.....	3,132	6,730	0	9,862
Student fraternity funds.....	472	1,046	0	1,520
Miscellaneous.....	273,189	23,438	400	297,027
Total.....	\$3,166,540	\$6,185,446	\$30,149	\$9,382,137

exclude the funds given specifically for buildings, the income received from sources considered to be private or industrial totaled three and one-half million dollars, or 7 per cent of the total operating expenditures of these libraries. Including funds received for buildings, these libraries received a total of over nine million dollars from nonuniversity sources.

There was a considerable variety of sources from which libraries received such funds. By far the largest amounts were from endowment funds. These accounted for 75 per cent of the extra-university funds received, excluding building funds. Table 1 shows the relative amounts obtained and the sources from which they were received.

Over the years we have come to believe, and with good reason, that privately-endowed universities and their libraries had achieved a measure of success in attracting gifts that was envied by state-supported institutions. Powell found, for example, in his survey of non-university support received by twenty-two selected libraries in 1956-57 that endowed universities were much more successful in attracting cash and materials than were state universities. The average of the cash gifts of the nine private university libraries was \$102,000 as

opposed to \$12,422 reported by eleven state universities libraries.¹

In analyzing gifts by type and size of libraries in the present survey there appeared to be somewhat surprising results. The most successful seemed to be the state-supported university libraries whose expenditure ranged from five hundred thousand to one million dollars annually. Table 2 presents an analysis by type and size of library.

Powell found that the selected *private* institutional libraries received cash representing 18.5 per cent of their total expenditures whereas the present survey showed them to receive only 7.3 per cent. For *state-supported* libraries Powell found cash gifts representing but 2.5 per cent of their total operating expenditures whereas the present survey revealed 8.2 per cent. One obvious difference in the two surveys was that he had among his private universities one library which received \$649,000 (probably Harvard), whereas Harvard did not reply to the present questionnaire. He also included Yale which again was not included in the present survey for the same reason.

The reasons for the difference in the state-supported libraries, however, is less

¹ Benjamin E. Powell, "Sources of Support for Libraries in American Universities," University of Tennessee Library Lectures, No. 10, 1958 (Knoxville: University of Tennessee, 1961).

TABLE 2

Per cent of Operating Expenditures Coming from Nonuniversity Support as Received by 82 Academic Libraries in 1960-61 (Excluding Gifts for Buildings and Funds from Government and Foundation Sources)

OPERATING EXPENDITURES	STATE TAX SUPPORTED		PRIVATELY SUPPORTED		MUNICIPAL	
	Percent	Number of Libraries	Percent	Number of Libraries	Percent	Number of Libraries
Up to \$100,000.....	0	3	4.5	11
\$100,000 to \$500,000.....	3	24	1.6	12	.5	3
\$500,000 to 1,000,000.....	22.5	10	11.7	7
\$1,000,000 up.....	4.3	10	7.1	2
Total.....	8.2	47	7.3	32	.5	3

apparent since many of the same institutions were included in both surveys. There is perhaps some hint of explanation found in recent remarks made by Robert Vosper to the Friends of the UCLA library. He said, "There was a time, you know, and not long since, when state university libraries of this country excused the inadequacies and rawness of their collections on the grounds that only the libraries of the privately-supported universities could expect to attract private funds and sophisticated friendly help. But this is demonstrably no longer true, and the recent alteration in this pattern represents a milestone in American cultural and philanthropic history."²

The largest sums of money received were for building construction. However, despite the obvious appeal of having a major university building named for a donor, the amount of such funds was perhaps less than one would expect. The eighty-two institutions reported that less than six million dollars were received for buildings and these at twelve libraries. Of this type of gift only seven could be considered major amounts. The private institutions were by far the most successful in obtaining gifts in this category, accounting for nearly 93 per cent of the total moneys received, as shown in Table 1.

Summarizing the present survey, the eighty-two university libraries which reported had, in 1960-61, total operating expenditures slightly in excess of fifty million dollars of which about three and one half million, or 7 per cent, were received from nonuniversity sources, excluding funds obtained from the federal government and foundations. In addition nearly six million dollars were obtained as gifts toward buildings. State tax-supported university libraries were slightly more successful in attracting gift money than were privately-supported

university libraries, except for buildings, where the private institutions, with the exception of two state institution gifts, received all of the funds.

POTENTIAL SOURCES OF SUPPORT

What about the potential sources of gift moneys to which all libraries perhaps should be giving more attention? "Charitable bequests in the United States have shown an extraordinary growth in recent years," according to *Foundation News*.³ A comparison of the federal estate-tax returns filed in 1944 and 1959 shows charitable bequests increasing from about two hundred million to nearly six hundred and seventy million dollars in this fifteen-year period.⁴ Seventeen and five tenths per cent of the 1959 bequests were to private education, and 4.6 per cent were to public education, a total of 22.1 per cent, with a balance to religious and other charitable categories. In other words, in 1959 nearly one hundred fifty million dollars went to education, broadly defined as including museums, art galleries, etc., and this analysis exempts entirely estates of less than \$60,000. Libraries probably should be getting a larger share of these bequests. It is an area deserving greater attention.

If university librarians are thinking of bequests as a potential source for more funds, then, according to *Foundation News*, they would find that large estates are more apt to be fruitful than small estates. For "the proportional support for education climbs with the size of estate. For estates under \$100,000 about 15 per cent was given to combined public and private education institutions" in both 1944 and 1959. But "for estates of one million or more 25 per cent was so assigned."⁵ The magnitude of this potential source of funds is manifest by

³ F. M. Andrews, "Charitable Bequests: A New Analysis," *Foundation News*, III, No. 2 (March 1962), 1.

⁴ *Ibid.*, p. 2

⁵ *Ibid.*, p. 2

² Robert Vosper, "A Word to the Wise and the Friendly," (University of California Library, Los Angeles, 1962) pp. 12-13.

the fact that gross estates reported during 1959 totaled eleven and six-tenths billion dollars, which is about the same amount that the Foundation Library Center estimated to be the total assets of all American philanthropic foundations in that year. Also, charitable bequests almost equalled the amount estimated for the grants of all these foundations.

One other interesting observation has been made by the Foundation Library Center; it is that smaller estates, since they are mostly given over to family support, are not likely to yield substantial bequests. This is in direct contrast to charitable receipts from *living* donors, where the small-income benefactors, because of their large number, contribute the largest proportion of total gift dollars.

A few words might also be said about that much praised, sometimes much maligned, organization known as the Friends of the Library. The present questionnaire asked for information on the net income realized directly from Friends organizations, deducting identifiable management costs, dinner costs, printing and brochure distribution expenses, speaker honoraria, and so forth. Twenty of the eighty-two libraries had such an organization, and net income ranged from a low of minus \$705 to a high of \$7,486. Total net gain for all twenty libraries was \$28,515; Friends memberships totaled about sixty-six hundred people.

It appears from these statistics that Friends organizations, with several exceptions, are not especially effective as a money-raising device. However, these statistics reflect only cash gifts. Undoubtedly many have been instrumental or helpful in bringing both funds and collections to libraries from various donors. Cornell, UCLA, Southern Illinois, and no doubt others, have Friends groups which are serving very useful purposes. A surprising number of libraries which re-

ported not having Friends groups indicated that they planned to start such organizations soon. However, the above experience no doubt indicates that libraries would be well advised to get first the facts on the likelihood of achieving the goals set forth. The record is probably in favor of the failures rather than the successes, if the goal is primarily that of obtaining money. If, on the other hand, the chief objective is to stimulate interest and good will on behalf of the university and the library, then there appears to be a greater chance of achieving it.

I suspect that the librarians managing the going Friends organizations will tell us that their success has been the result of a great deal of effort and hard work over a long time. Even then success in attracting gifts is a difficult thing to measure for one never knows how many of the important gifts might have come to the library anyhow, whether or not there was a Friends organization.

Nonetheless, the potential support of academic libraries from private and industrial sources is great. It is such that university librarians might well consider seriously the desirability of adding to their staffs someone who could devote a considerable amount of time to fund raising. No doubt one could draw here a parallel to other areas of specialization in the university libraries. Most directors of libraries do not presume to be catalogers, nor special collection curators, nor acquisitions nor reference specialists. They employ highly skilled people to manage these aspects of their organizations. By the same token, directors, by virtue of their position alone, are not necessarily skilled as money-raisers, although there are among them some who have a known talent for doing this. It would seem that chances are good that such a fund-raising specialist could at least bring in the equivalent of his own salary annually.

FEDERAL FUNDS FOR UNIVERSITY LIBRARIES

BY RUSSELL SHANK

THREE CATEGORIES of federal support are examined in this essay: (1) the direct sources, or those that are reasonably direct, even though they are a minor element of assistance; (2) the indirect sources whence funds are transmitted via several institutional agencies before they are deposited in library accounts; and (3) federal government activities which involve the expenditure of funds for materials which are made available to academic libraries which they may not reasonably have been expected to acquire otherwise with their own funds. Not included are any parts of libraries' budgets stemming from funds available from the indirect costs of federally-sponsored research, a portion which no academic administrator could possibly earmark for tabulation. Also excluded are funds provided for limited-access activities such as special libraries in agencies associated with faculty and research departments and not part of the general library activities of the campuses.

No attempt is made to access the dollar worth to academic libraries of scientific and technical information activities supported by federal funds which eventually result in bibliographies, report literature, indexing and abstracting services, and other items of primary utility to libraries. The federal government invested ninety-eight and six-tenths million dollars in such activities in fiscal year 1962 supporting such items as the production and frequently free distribution of technical reports of the Atomic Energy Commission and the National Aeronautics and Space Administration, major abstracting services like *Nuclear Science Abstracts*, the *Bibliography of Agriculture*, *Index Medicus*, and the information programs of the National Library

Mr. Shank is Assistant Librarian, University of California, Berkeley.

of Medicine, the Armed Services Technical Information Agency, and the Office of Technical Services.¹ The value of these activities to academic research libraries is not unimportant, but it is not within the scope of this article. No matter how little the federal government budget seems presently to provide as direct dollars for operation of academic libraries, the indispensable role of federal funds in these other activities, which ultimately are so essential to American librarianship, cannot be denied.

Data for the study came from three sources: (1) a survey of about forty-five academic institutions, particularly those participating in the programs of Title VI of the National Defense Education Act; (2) government documents and reports; and (3) a variety of personal sources, including the Washington office of the American Library Association. There is no guarantee that some amounts have not been counted twice, although reasonable care has been made to avoid duplication. There are more likely to be gaps, since the sources of money for library activities are frequently obscure, even to the librarians who spend them.

Various provisions of the National Defense Education Act are obvious sources of federal funds for academic libraries. Title IV provides that about one half of the funds of National Defense fellowships "appropriated go to the participating institutions in support of the approved new or expanded programs.

¹ *Federal Funds for Science X: Fiscal Years 1960, 1961, and 1962* (Washington: National Science Foundation, 1961), p. 47.

These funds may be used to add members to the faculty, strengthen library acquisitions, or buy laboratory equipment. In academic year 1960-61, about \$6 million [was paid] to participating graduate schools."² Title VI (Language and Area Centers) provides that approximately 50 per cent of the funds are for "administration of the Centers' use (not purchase and installation) of language laboratories, library acquisitions, and employment of pertinent library personnel, grants for staff travel to foreign areas and cost of travel for foreign visiting scholars."³ Most of the funds from these two titles are being spent by the faculty departments involved, and do not add directly to the general library activities of the campuses. The survey uncovered almost two hundred seventy-four thousand dollars of NDEA money, however, being used for personnel (\$87,000) and library materials (\$187,000) by university libraries. The librarians had little to do with deciding program content or size; this was left to faculties and university administrators. In many instances, the librarians were not even aware such money was available until it turned up in their appropriation ledgers.

An attempt was made to add aid to academic libraries to the National Defense Education Act renewal legislation in 1961, but, along with a number of other riders, this was stripped from the proposal and the Act was refueled for two years at its then-attained level. The provisions of this rider have been taken over into the omnibus legislation to be mentioned shortly.

The National Science Foundation is a source of a limited but growing amount of money to support academic library activities. It is not National Science Foundation policy to finance library operations directly. National Science Foundation facilities-modernization

² *Report on the National Defense Education Act: Fiscal Year Ending June 30, 1960* (Washington: U. S. Department of Health, Education, and Welfare, Office of Education, 1961), p. 14.

³ *Ibid.*, p. 24.

grants may be used to refurbish research plants which might include library space. "Library space should compete on its merits with the other space involved in the proposal and a final decision made on the basis of what is most essential to facilitate the research being conducted or envisaged at the facility."⁴ Proposals totaling over two and two-tenths million dollars to support library facilities were submitted in fiscal year 1962. Grants have been made of approximately three hundred and eighty-three thousand dollars for departmental library and reading room renovations to fifteen institutions.

More is coming from this source, however. The Department of Commerce's Office of Technical Services recently established twelve regional technical report centers, eleven of them in academic libraries. The National Science Foundation has guaranteed to finance the operation of these centers, at least in their initial stages of development. The foundation may supply as much as one hundred and fifty thousand dollars a year for this activity. The foundation has given a subsidy of ten thousand dollars to another institution for a photocopying service in support of scientific activities. The National Science Foundation could directly affect the use of funds in academic libraries by assisting in the establishment of research units in individual libraries or through an association to study problems of library operations.

The federal government is also involved in supplying cash directly to its own institutions of higher learning or those for which it has accepted an administrative obligation. These are the military service schools and a university located in Washington, D. C. which are being supported in the amount of about one and three-tenths million dollars per year.

⁴ Letter to author dated 3 May 1962 from H. E. Page, head, Office of Institutional Programs, National Science Foundation.

The federal government's involvement in securing library materials for academic institutions must be counted as a major source of support. Of the 592 depository libraries in existence, 352 are in academic institutions. Most of them take more than half of the material offered on deposit. In fiscal year 1962 the federal government budgeted \$573,000 for the deposit of six million documents. Assuming that academic and other depository libraries have similar selecting policies, the documents deposits are worth \$338,000 in book money to academic libraries. The cost to the libraries varies from eight to one hundred ninety-three dollars per library for postage.

The new depository law, among other things, (1) provides for the designation of new depository libraries, most of which will probably be in academic institutions; (2) makes available with some exceptions all government publications including the non-GPO printed documents; and (3) permits the establishment of regional depository libraries. The total value of the documents added to libraries will be over five hundred thousand dollars more than at present, or about two thousand dollars per depository.

Public Law 48 activities produced Indian government documents for three academic institutions in the United States (including the Midwest Inter-library Center) for a period of five years. The cost to the government was seventy-five thousand dollars.

The Dingell Amendment to Public Law 480 (Agricultural Trade Development and Assistance Act) among other things makes it possible for the Library of Congress to acquire foreign books, periodicals, and other materials and to deposit them in libraries and research centers in the United States. A portion of the funds held in foreign countries from the sale of commodities under the terms of the law are available for this program. These funds, however, are not

automatically available; the U. S. Treasury must declare the funds to be surplus to the normal needs of the United States, and Congress must appropriate them for various purposes just as they do other funds. Late last year the librarian of Congress was appropriated four-hundred thousand dollars for a program for collecting publications overseas. Although several score countries are involved in Public Law 480 activities, sufficient credits have accumulated in only nine of them to the extent that the Treasury can declare that surplus funds exist. The librarian of Congress chose to run a trial program in three of these countries: India, Pakistan and the United Arab Republic. Ten libraries, nine of them academic, are receiving materials from the United Arab Republic. Eleven academic libraries are receiving materials from India and Pakistan. Each of the participating libraries is volunteering five hundred dollars to help pay for the program; all are sharing the salary costs of catalogers to process the material.

The fiscal year 1962/63 appropriation bill for the legislative branch of government, including the Library of Congress, was approved by the House of Representatives on April 11, 1962. Six hundred seventy-eight thousand dollars was provided for the Public Law 480 program. The House Appropriations Committee thought the contribution by the benefactor or research libraries "commendable" but wants them to work out a more reasonable, sustained plan for financial participation. The Senate may recommend the appropriation of additional soft currency when the bill is reported. The Library of Congress has decided to restrict its operations for the immediate future to the three nations already involved, and to obtain data on which to base budget requests in future years in other countries where surplus funds are available.

Since the selection of libraries to include in the survey of this study does not

have a valid basis, an examination of the details of the survey can only give a *sense* of the availability of federal government funds for academic libraries. Briefly these are the results of the survey. About one hundred seventy-three thousand dollars were given directly to academic libraries by federal government agencies. Three hundred twenty-two thousand dollars came to the libraries directly via other university departments. The National Defense Education Act provided 58 per cent of the funds. The National Science Foundation provided 12 per cent. The remaining 30 per cent came from a variety of agencies, including the Department of State and the Public Health Service. Twenty-eight per cent of the funds were used for personnel, 60 per cent were used for library materials, 7 per cent for binding, 1 per cent for equipment and 4 per cent for unspecified purposes. Most of the funds provided by the National Defense Education Act and the National Science Foundation were used for library materials. The Department of State provided \$81,650 for the operation of the East-West Center library at the University of Hawaii. The Public Health Service provided \$25,300 for activities not including internships in medical librarianship. The National Fund for Medical Education gave one library sixteen thousand dollars and a variety of other agencies contributed \$24,670. This prospecting suggests that approximately three million dollars was contributed in the past twelve to eighteen months by the federal government to the operation of academic libraries. All of this is evidence, primarily, of politics and ingenuity. Nothing yet discussed can be taken as evidence of a federal policy for academic libraries.

Institutional ingenuity might be able to track down other sources of federal funds. The standby public works bill (S 2965 and HR 10113) would provide seven hundred fifty million dollars to be used immediately for matching grants

for public works in sections designated as redevelopment areas and an additional seven hundred fifty million dollars for "standby" use to be expended after June 30, 1963 if economic conditions warrant it. In the definitions in the bill, libraries are listed among the eligible public works. This of course means libraries in public academic institutions. The fall-out shelters legislation (HR 10262) would authorize payment towards the construction or modification of approved public shelter space to any nonprofit institution engaged in health, education or welfare activities. Payment would not exceed the cost of providing, by initial construction or modification, shelter or protective features in accordance with regulations prescribed under provisions of the act.

Pending government legislation indicates, however, a closer relationship between federal policy and academic library activity. We have now to contemplate the academic facilities construction bill (HR 8900) which in several versions has passed both the House of Representatives and the Senate, albeit in still irreconcilable versions. The House version of the bill would provide one hundred eighty million dollars for the fiscal year ending June 30, 1963 and for each four succeeding years, for construction of academic facilities. Funds are to be granted only for construction to be undertaken within a reasonable time which will result in an urgently-needed substantial expansion of the institution's student enrollment capacity or, in case of a new institution of higher education, in creating urgently needed enrollment capacity. The federal share of such construction is not to exceed one third of the cost of development of the project. The Senate version calls for loans for construction of academic facilities in institutions of higher education, grants for constructing facilities in two-year community colleges, and scholarships for undergraduate students. There is a possibility that a bill will ultimately result which will provide

for categorical grants, with libraries definitely included as one of the categories to be so supported.

Omnibus legislation was introduced recently and is due for hearings in late June for an amended Library Services Act (HR 11823) which seeks to authorize ten million dollars annually for matching grants to institutions of higher education to assist and encourage such institutions in the acquisition for library purposes of books not including textbooks, periodicals, documents, and audiovisual and other library materials. Distribution is to be made to the colleges and universities in an amount not exceeding 25 per cent of the sum expended for library materials by such institutions during the fiscal year ending June 30, 1962. In the year for which a request is made, an institution would not be allowed to reduce below the corresponding figures for fiscal 1962 the amounts to be spent for all library purposes, and for books and related library materials. The institution would have to match the

grant, with at least 50 per cent of such expenditure going for books and related library materials.⁵

The future, then, is encouraging. The purists among the librarians will be horrified, no doubt, to find idealistic proposals faced with noneducation influences when federal educational policy is at stake. What seem to some to be reasonable and perhaps irresistible proposals must bear up under arguments relating to the separation of church and state, segregation, and federal control over curricula, management, and other aspects of local responsibility. There seems little doubt, however, that with the increasing importance of higher education to the attainment of skills essential to the future of the United States, federal aid to the nation's higher education program will be forthcoming in larger amounts and with greater library participation than has been the experience of the past.

⁵ *An Amended Library Services Act for a Comprehensive Library Development Program* (Washington: ALA, June 11, 1962), p. 2 (processed).

FOUNDATION SUPPORT FOR UNIVERSITY LIBRARIES

BY G. A. HARRER

INSOFAR as the subject can be dealt with in literature, there appears to be much background reading one can do concerning foundation support of libraries. One of the major writers is F. Emerson Andrews who is an editor of *The Foundation Directory* and the author of *Philanthropic Foundations*, both primary sources of information. Books on fund-raising are numerous and contain further material. Several small periodicals are published, among them the *Philanthropic Digest*, the *Bulletin* of the American Association of Fund Raising Counsel, and a news-

Mr. Harrer is Director of Libraries, Boston University.

letter from the National Council on Community Foundations, Inc. In addition, annual reports prepared by many of the foundations are good sources of detailed information. In approaching the subject from the librarian's standpoint, however, several questions propose themselves.

First, what are foundations? Andrews says: "A foundation may be defined as a non-governmental, non-profit organiza-

tion having a principal fund of its own, managed by its own trustees or directors, and established to maintain or aid social, educational, charitable, religious, or other activities serving the common welfare."¹ This definition excludes organizations which make a general appeal to the public for funds or are set up, though under the name "foundation", within or strictly limited to other special purpose groups or organizations.

How many foundations are there? The Foundation Library Center in New York, the primary function of which is documenting foundation activity, has records on approximately twelve thousand, also the *Foundation Directory Edition I*, which is based on the records of the center, lists 5,202 which have assets of over fifty thousand dollars and have made grants of over ten thousand dollars in recent years (one which was excluded reported total assets of 26 cents).²

How big are foundations? Total assets of these five thousand large foundations approximate eleven and one-half billion dollars. The seven thousand excluded have about ninety-five million dollars which is less than any one of the eleven largest. The largest is the Ford Foundation with assets of three and three-tenths billion dollars. The Rockefeller Foundation is next with assets of six hundred forty eight million dollars. Grants from the five thousand are annually in the neighborhood of six hundred twenty-six million dollars or approximately 5.4 per cent of their assets, though this varies naturally with the foundation. An interesting fact is that foundation philanthropy, according to estimates in 1954, accounted for only 4.5 per cent of all philanthropic funds, while individual giving (including, of course, to churches, etc.) amounted to 72 per cent.

Where does foundation money go? A

¹F. Emerson Andrews, *Philanthropic Foundations*. (New York: Russell Sage Foundation, 1956), p. 11.
²Statistical data presented in the next several paragraphs is taken from the Introduction to *Foundation Directory Edition I*.

tabulation by the Foundation Library Center of sampled 1957 figures produced the following general distribution:

Education	47 per cent
Health	14 per cent
Scientific research	13 per cent
Social welfare	9 per cent
International affairs	8 per cent
Humanities	4 per cent
Religion	3 per cent
Government	2 per cent

Of the amount for education, 51 per cent went in aid to teachers, 4 per cent (fourth highest) went to buildings and equipment, and 1 per cent to libraries. It is noted, however, that almost one-fourth of the foundations sampled contributed to libraries in some way.

Having discovered that there is little information in the literature concerning gifts to *libraries*, this author searched the records of the Foundation Library Center in New York to gather specific data from which to develop statistics—statistics always being, at least, impressive. The activities of two organizations, however, were excluded from consideration: namely, the Council on Library Resources Inc., and the ACRL Grants Committee. These, of course, represent foundation support for libraries and both have made excellent contributions to the library world, but they are excluded because of the uniqueness of their operations and the fact that their funds are directed primarily by librarians.

From the records of the Foundation Library Center then, and with the gracious help of its charming librarians, a list was compiled of fifty-nine grants of more than ten thousand dollars each given during approximately the last four years, for specific library purposes, to institutions involved in education at the university level. The grants totalled \$13,446,625.

The first analysis made was of the distribution to public or privately-supported institutions. A tally of the fifty-

nine grants show that forty-two (or 71 per cent) went to private institutions and seventeen to public institutions. One grant, however, amounted to three million dollars and if this single grant were excluded we would find that about seven million dollars went to private institutions while three and one-half million went to public, or roughly a 70/30 split.

Another, and perhaps a more interesting approach, is consideration of the sources. Who gives to libraries? Inspection reveals that thirty-one grants were from one-time donors, that is, donors who, as far as could be determined, had favored libraries once, although a number had given also to other *nonlibrary* causes. Twenty-eight grants were by seven repeaters, one having given to libraries seven times; two—five times; one—four times; one—three times; and two—twice. The repeaters were without exception large, well-known foundations. The one-time donors were all smaller ones, usually of local reputation.

The amount of these grants ranged from ten thousand dollars (the lowest amount recorded by the records of the Foundation Library Center) to three million dollars. Within this range there were several amounts that seemed to be popular—sort of “magic numbers”—which may indicate something. Twenty-five thousand dollars seems a good figure; there were eleven at this level. Eight grants were for fifty thousand dollars. There were four at two hundred thousand dollars—another nice round number—and three more between there and two hundred and fifty thousand dollars. There were a couple each at one million, and one and a half million, and one at three million dollars, which again is a nice round figure.

The seven repeaters responsible for almost a numerical half of the grants gave an amount equal to only 25 per cent of the total money in grants ranging from eighteen thousand dollars (somewhat above the minimum of ten thousand) to

six hundred thousand (well below the top of three million dollars—in fact sixth from the top!) The repeaters' average was one hundred and twenty-one thousand dollars compared to the one-time foundations' average of three hundred and twenty-five thousand, though the formers' median was fifty thousand compared to twenty-five thousand dollars for the one-shot ones. An obvious deduction seems to be that chances are better among large national foundations known to be interested in libraries, for medium-sized grants—from fifty thousand dollars up through several hundred thousand—while for the smaller and the larger grants, the nonlibrary enthusiasts seem more generous.

For what purposes are grants made? Here also there are differences, but there are really too few examples to provide a valid population. The repeaters gave 84 per cent of their money for buildings, while the one-time foundations gave 94 per cent for this purpose. But, although the repeaters seemed to favor noncapital gifts, the amount they gave (around five hundred and fifty thousand dollars is about the same as the one-time donors, and their preference within that for acquisitions was just that of the other group (a bit over one half). Perhaps, however, noncapital gifts are better sought from the larger foundations.

One other observation should be made. Foundations normally have a published statement of purpose or restriction indicating the type of endeavor or geographical location they prefer. In most of the cases these statements are quite broad. But advice is given by many fund raisers that one should carefully study such statements and, as well, the foundation's record of giving, to determine the sort of project it might be interested in. In proving this advice against the present study, the author found that almost one third were from what might be called “improbable sources”—sources that either by geography or philosophy had

seemed to disqualify themselves from interest. This fact perhaps permits the disconcerting observation that, indeed, money *may* be forthcoming for any source that has money.

No report of this sort should close without a prediction for the future. The question of continued development of available funds is all "ifs": *if* the economy remains sound, *if* the stock market is stable, *if* tax incentives continue to encourage some form of major philanthropy, (we are part of the educational picture, hence:) *if* education continues to be a favored recipient, *if* foundations and corporations continue to feel their debt to the educational system, *if* society continues to feel that education is essential for democratic survival, (and for us particularly) *if* educational administrators continue to believe more and more—as they have recently—in the words that they have mouthed for decades, that the library is in fact the heart of the institution, then, all told, the prospect looks good. But these are many "ifs."

One trend can no doubt be observed, and in some ways it is disquieting. It would appear that more and more foundations are subscribing to the theory that the justification for their existence is in their ability to provide "seed money" or "to supply initiative and funds for accomplishing the unusual, the untried, and even the debatable."³ If this is so, we may expect—as already appears to be the case—that relative to the amount of

money available, an increasing number of small grants will be forthcoming as the foundations attempt to spur activity in more and more areas. Secondly, this means more grants to experimental or venturesome projects. It may be that too great a development of the support for the unproven or exotic projects in preference to the proven, and hence mundane, may have its faults, particularly for private educational institutions. Private fortunes are seemingly more and more being channeled off through foundations. Private fortunes formerly supported major building programs. If these funds now go through foundations which are controlled by directors who subscribe to the aforesaid policy, the institutions which formerly benefited from private fortunes will suffer. These are primarily the private institutions, which are already at a serious financial disadvantage as compared to publicly-supported ones. It would seem then, that this philosophy could be damaging, if indeed private institutions are worth saving as a strong element in American education.

But, for all institutions, increased giving on the part of foundations is essential and, fortunately, hopeful. Librarians must relentlessly impress upon the public that only since man has been able to record and store knowledge has he been able to make the great cultural strides which undergird today's civilization. An active, ingenious, and persistent presentation of the problem of the storage and retrieval of knowledge in quantities too great for the collective mind is the key to foundation support and to the furtherance of our culture.

³ Alfred P. Sloan Foundation, Inc. *Annual Report for 1949-50*, quoted in John A. Pollard, *Fund Raising For Higher Education* (New York: Harpers, 1958), p. 167.