An Explanation of the Wisconsin Public Library Consortium (WPLC) Budget

January 2022

There are two components to the WPLC budget:

1. Digital buying pool
2. WPLC member shares
3. Magazines

Each component has a different purpose and a different decision-making process as described below.

Digital Buying Pool

The digital buying pool is used to purchase content for the Wisconsin Digital Library. For 2022, the buying pool amount has been set at $1,340,944. The buying pool is divided into a "base" amount that is applied to share collection and a "holds reduction" amount that is contributed to an Advantage account for each system. For 2022, the base amount is $1,183,444 and the holds reduction amount is $157,500.

Each of the 16 public library systems contributes to the buying pool based on a formula that involves the following steps:

1. Determine each system's percentage of the total population of the state (using the Extended County Population from DPI).
2. Determine each system's percentage of the previous year's circulation of the Wisconsin Digital Library shared collection materials.
3. Multiply the percentage of previous year's circulation by 3 (to weight it at 75% of the total) and add the system's percentage of the total population of the state.
4. Divide the number by four to find the percent of the buying pool base that system will contribute.
5. Multiply that percentage by the buying pool base amount for the dollar figure.
6. Determine each system's percentage of the previous year's holds in the Wisconsin Digital Library.
7. Multiple that percentage by the holds reduction amount for the dollar figure.
8. Add the two dollar amounts together to determine the total contribution for the system.

Let's walk through an example of the steps:

1. Determine each system's percentage of the total population of the state.

   For purposes of this example, let's say the system has 25% of the total population of the state.

2. Determine each system's percentage of the previous year's circulation of the Wisconsin Digital Library materials.

   Again, for purposes of this example, let's say the system has 15% of the previous year's circulation.

3. Multiply the percentage of previous year's circulation by 3 (to weight it at 75% of the total) and add the system's percentage of the total population of the state.

   *(15*3) + 25 = 70*

4. Divide the number by four to find the percent of the base buying pool that system will contribute.

   70/4 = 17.5%

5. Multiply that percentage by the base buying pool amount for the dollar figure.

   *17.5% * $1,116,722 = $195,426*

6. Determine each system's percentage of the previous year's holds in the Wisconsin Digital Library.

   For the purposes of this example, let's say the system has 10% of the previous year's holds.

7. Multiple that percentage by the holds reduction amount for the dollar figure.

   *10% * $157,500 = $15,750*

8. Add the two dollar amounts together to determine the total contribution from the system.

   $195,426 + $15,750 = $211,176

The process to determine the total buying pool amount involves multiple bodies and provides opportunity for feedback from the entire community. It begins with the Collection Development Committee, which reviews issues and requests related to the collection, asks for feedback from patrons and library staff, and analyzes usage statistics to create a recommendation for the following year's buying pool amount. This recommendation is proposed to the Digital Library Steering Committee, who either accepts or modifies the recommendation, and then sends the recommendation on to the WPLC Board, who incorporates the recommendation into the following year's budget.

Once a recommendation is made by the Collection Development Committee, the amount of the buying pool for each system is calculated based on the formula described above. The amounts are distributed to each system's representatives on the Digital Library Steering Committee for their review and for them to collect feedback from their member libraries.

Opportunities for feedback are provided for member libraries and system staff prior to the Digital Library Steering Committee meeting where the recommendation is acted upon.

A complete schedule of the budget process is included on the following page.

WPLC Member Shares

The WPLC member shares budget is used to *provide support and funding for the WPLC consortium itself.* The member shares pay for project management, the consortium's website, platform fees, a designated fund for research and development, and a designated reserve fund. In 2022, the amount of the member shares is $105,376. The amount is divided equally among the 16 systems.

The annual WPLC member shares amount is determined by the WPLC board.

WPLC Magazines

In 2021 Magazines were added to Wisconsin's Digital Library. The total cost for 2022 is $100,000. The cost for magazines is split among the systems using the same formula as the buying pool amount, using a 25% population and 75% usage formula. The formula for the cost of magazines will be determined every year.

Budget Schedule

The table below outlines the activities for the WPLC budget process and when each activity takes place:

WPLC Collection Development Committee begins work on creating a recommendation for the buying pool amount.	October
WPLC Board creates Budget Committee to discuss member shares.	February
WPLC Collection Development Committee sends recommendations to the Steering Committee and Steering Committee reviews and provides feedback.	February
Collection Development Committee makes necessary changes based on Steering Committee's feedback and requests.	March
Buying pool amounts for each system are calculated and distributed to the system's Board and Digital Library Steering Committee representatives.	Mid-April
Digital Library Steering Committee discusses the final recommendations.	April
Recommendation is presented at the WPLC Annual Meeting (which includes Board, Digital Library Steering Committee, and anyone interested in attending).	Late April/Early May
Digital Library Steering Committee takes action on the recommendation.	May
WPLC Board approves complete budget for following year.	June