



COUNCIL ON  
LIBRARY AND INFORMATION RESOURCES

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Annual Report 2002–2003

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**THE COUNCIL ON LIBRARY AND INFORMATION RESOURCES (CLIR)** grew out of the 1997 merger of the Commission on Preservation and Access (CPA) and the Council on Library Resources (CLR). Over the years, CPA and CLR, in partnership with libraries, archives, and other information providers, advocated collaborative approaches to preserving the nation's intellectual heritage and strengthening the many components of its information system. CLIR was founded to continue this tradition of support for a national information system and a seamless web of information resources, of which all libraries and archives are a part.

The convening role is central to CLIR's mission. CLIR brings together experts from around the country and around the world and asks them to turn their intelligence to the problems that libraries, archives, and information organizations face as they integrate digital resources and services into their well-established print-based environments.

CLIR urges individuals to look beyond the immediate challenges and imagine the most desirable outcomes for the users of libraries and archives—to be rigorously practical and to dream.

*Cover image: Anonymous, 15th century. "The Learned Man," from the sign of Sagittarius, fresco. Palazzo della Ragione, Padua, Italy.*

*Photo: Scala/Art Resource, NY.*

# COUNCIL ON LIBRARY AND INFORMATION RESOURCES

## ANNUAL REPORT 2002-2003

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the Council on Library and Information Resources:*

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Emory University  
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## LETTER FROM THE CHAIRMAN

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Stanley A. Chodorow  
*Chairman of the Board*

**S**hortly after the close of the fiscal year, CLIR experienced a significant change—the greatest change since it was created with the merger of the Council on Library Resources and the Commission on Preservation and Access seven years ago. In July 2003, President Deanna Marcum was named associate librarian at the Library of Congress. She assumed her new responsibilities in early August. Deanna's appointment recognized her leadership in the library community and indicated the importance of CLIR in that community. Deanna built her position of leadership at CLIR, and the Board is proud both of Deanna and of CLIR.

The Board has undertaken a search to find a successor to Deanna. In the meantime, we have asked Richard Detweiler, former president of Hartwick College and co-dean, with Deanna, of the Frye Institute, to serve as our interim president. Rick took up the position on August 1. The staff has not missed a step. It has continued work on the projects, outlined in the President's Message, that CLIR has under way. Deanna recruited a first-rate staff to CLIR, and these individuals are carrying on the Council's business in an exemplary fashion.

The continued momentum of CLIR's work owes a great deal to the support of The Andrew W. Mellon Foundation, and the Board is deeply appreciative. The foundation's grant for core support of CLIR's operations was to end in December 2003; however, it has graciously made a one-year grant to sustain CLIR while the Board prepares to appoint a new president.

We expect to attract very strong candidates and hope to complete our search early in 2004. As Deanna says in the President's Message, written from her new vantage point in the Library of Congress, CLIR has established its importance to the broad community of those concerned with the collection, management, and preservation of information resources. Even in the early stages of the search, it has become evident that leaders of that community regard CLIR as a high platform for anyone who wishes to exercise influence over the projects—research, leadership training, and identifying best practices—that will direct the evolution of information services.

This change in leadership should not obscure our achievements of the past year. CLIR laid the groundwork for a detailed survey to assess the state

of audio collections on U.S. campuses. The Digital Library Federation continued to develop services and perform other essential tasks for its member libraries. Deanna Marcum and Charles Phelps, a member of the Board and provost of the University of Rochester, led an effort to create an in-library program for postdoctoral scholars in the humanities. Altogether, it has been another very good year for CLIR.

The Board looks forward to the appointment of a new president and to his or her new ideas and modus operandi, but we will not soon forget Deanna Marcum. Deanna was an ideal president. She gave us superb leadership, and she was more than a colleague both to her staff and to the Board. She became our friend, and she left CLIR with our deep and enduring affection.

*Stanley A. Chodorow*



## MESSAGE FROM THE PRESIDENT



Deanna B. Marcum  
President

**T**his is my final message as president of the Council on Library and Information Resources (CLIR). After nine years with CLIR, I have accepted a new challenge: to become associate librarian of the Library of Congress. I leave CLIR feeling great satisfaction in the wonderful things we have achieved and with enormous gratitude to the funding agencies, the collaborating organizations, the supportive Board, and the talented staff who have made those achievements possible. I leave also with recognition that, in my new role, I will continue to need CLIR.

I will need CLIR at the Library of Congress for the same reason that librarians at other libraries need CLIR—because of its unique ability to deal with issues of concern to us all. Two years ago, CLIR commissioned a survey of its sponsoring organizations to learn what would make our organization more useful. When asked to characterize CLIR’s leadership in the library community, survey respondents used, in addition to the term *unique*, words such as *catalytic*, *credible*, *meaningful*, *reasonable*, *respected*, *strong*, *visible*, and *visionary*. At CLIR, we treasure those qualities and have strived to maintain them.

CLIR’s uniqueness in the information arena comes from a combination of characteristics. CLIR is an independent organization; it can take on issues that seem to others too risky. CLIR is a small organization; it can react quickly and flexibly as issues arise. CLIR is an objective third party; it can provide forums in which disparate groups work together on seemingly intractable problems without competitive pressures involving turf and position. CLIR is a think tank; it can look ahead, identify needs, gather information, organize responses, and risk making assertions about what should be done to meet the information needs of scholars, teachers, students, and the public. CLIR is guided by a Board whose members are concerned with high-level policy and represent the broad spectrum of communities that CLIR serves; CLIR can concentrate less on needs of libraries and librarians per se than on needs of a wide range of scholarly information producers, managers, and users.

As I reflect on my tenure at CLIR, certain accomplishments seem particularly to demonstrate the value of the unique, independent, catalytic nature of this organization. Consider the following examples.

### The Digital Library Federation

In the 1990s, as the Library of Congress began moving from its pilot digitization project, *American Memory*, to full-scale digital library development, other research libraries progressing in the same direction asked the Council on Library Resources to house a consortial effort that became the Digital Library Federation (DLF). Previous attempts to create a working group of similar institutions—libraries willing to share information about what they were learning, the standards they were developing, and the digital content they were creating—had been tried within membership organizations but had failed for want of readiness to undertake collaborative work. CLIR's ability to provide management, space, and encouragement helped the DLF survive and prosper. At the close of the fiscal year, its members included 30 institutions and 4 allied organizations. It has also become a leading force in digital library development.

### Redefining Preservation

CLIR's ability to bring people together fruitfully is evident as well in the development of new thinking about the old problem of preservation. As the digital revolution took hold, we increasingly realized that problems related to digital resource preservation required a comprehensive approach: it demanded far more than the strategy, used for print, of just massively reformatting deteriorating collections. Unlike print-based materials, which can be assessed for preservation years after their creation, digital materials that are worth securing in accessible formats for the future must be designated for preservation at the time of their creation.

Also, we realized that documenting modern history for future generations of scholars would require us to think far more broadly about types of materials to preserve. Along with digital information, relatively new media such as film, television, and sound recordings are more fragile, and more dependent on technology for transmission, than is paper. Their preservation requires greater involvement by creators and administrators, as well as librarians.

In a series of conferences and publications over the past several years, CLIR has assessed and publicized preservation needs and options for all information formats. Through a contract with the Library of Congress, our staff helped organize expertise and frame strategies for development of the Library's National Digital Information Infrastructure and Preservation Program. Additionally, in May 2003, CLIR convened a group of academic administrators, scholars, librarians, technologists, and funders for a high-level discussion of the future stewardship of research collections. The meeting launched a process that will produce

greater understanding of how data creators, publishers, distributors, and information seekers can work more actively with libraries and archives to ensure the transmission of recorded information into the future.

### Communicating Beyond Libraries

The value of CLIR's independence and flexibility is evident in our outreach activities. CLIR helps librarians, but we place library issues in a larger context. Rather than serve as an advocate for any single group, CLIR seeks to help scholars, administrators, the educated public, and librarians understand what is at stake in issues of scholarly communication, why the issues matter, and what each group can do to help resolve them.

For example, when we surveyed CLIR's institutional sponsors, we learned of their concern that busy academic administrators needed help to keep up with issues growing out of the digital transformation of scholarly communication. We responded with a new publication entitled *CLIRinghouse*, a one-page bulletin sent periodically to presidents and provosts that elucidates in nontechnical language the issues affecting their institutions. Topics have included preservation concerns, digital information-use patterns, collaborative storage options, and future leadership needs. A reader survey indicated that many administrators find the periodical useful. Publishing it also has been useful in forcing us to identify issues of most importance to administrators, to whom our work might otherwise seem tangential.

We have reached out to scholars as well, sometimes through their learned societies. Librarians have both managerial and collections concerns. Scholars are interested in the acquisition of new collections and the preservation of existing ones. The concerns overlap, but each group's emphasis is distinctive. Working closely with the American Council of Learned Societies and its member organizations has helped us think about library collections and services from scholars' perspectives.

### Training Information Management Leaders for the Future

CLIR's ability to engage topics quickly and experimentally is evident in the opportunities we have developed for new kinds of leadership training. Having considered requirements for information management in the twenty-first century, we concluded that too few leaders are likely to have the diverse talents that will be needed. After discussing this concern with academic administrators and library directors, we decided to tackle the problem on two fronts.

First, we considered it necessary to break down the functional "silos" that have kept libraries and IT units separate in higher education. Consequently, we developed a short-term training program that would bring together

future campus leaders with different information perspectives. In 1999, CLIR joined with EDUCAUSE and Emory University to establish the Frye Leadership Institute. This two-week residential program annually brings midlevel administrators, librarians, information technologists, and faculty members to Emory's campus in Atlanta to consider the challenges emerging from information-service trends in higher education and collaborative ways of responding to them. Four of these sessions have now been held, and nearly 200 Frye "alumni" from liberal arts colleges, universities, and research institutions are engaging in information issues on their campuses in new ways. These individuals were recommended by their institutions as potential leaders and have committed to completing year-long practicum projects that require collaborations beyond their own units. Many have already risen to more responsible positions within their institutions or elsewhere. They constitute a network of emerging information-management professionals with the broad outlook that future leadership requires.

Our second front in the training area came from thinking about the kinds of individuals needed to work in college and university libraries in the future. New models of scholarship—models that apply digital technologies to research and teaching—are being developed by teams of scholars, technologists, and librarians in a process that could be strengthened by recruiting new Ph.D.s into library work. Accordingly, CLIR is preparing to offer postdoctoral fellowships for work within academic and research libraries that are collaborating in the program. The fellowships will be awarded to individuals with Ph.D. degrees in the humanities. Fellows will be selected on the basis of a rigorously competitive process. Participating institutions will offer fellows positions that include intensive training in disciplinary specialties (for example, in area studies or in special collections) or in functional specialties, such as digital preservation. The program will foster substantial connections between libraries and academic departments. All fellows will receive a two-week orientation to the culture of academic librarianship and the challenges posed by digital technology.

In all the examples I have given, CLIR's agility and independence have been crucial. The collaboration we have enjoyed with many other organizations and individuals in testing ideas, identifying talent, and developing projects has been equally essential. Despite our many strengths, CLIR is limited in two ways: we must find outside funding for the creative ideas we wish to support; and, because our staff is small, we must find others who share our commitments and are willing to help. Therefore, I am grateful that so many funding agencies and professional collaborators have enthusiastically joined us in developing new ideas, structures, and activities for the advancement of higher edu-

cation and learning. Our role has been catalytic, and the beneficial chain reactions that CLIR has set off, with others' help, have been enormously satisfying to me.

### Parting Thoughts

It is hard to say goodbye to CLIR. Even in the process of a leadership transition, its exceptional staff continues to work productively and creatively, with commitment and dedication. CLIR retains strong support from a range of institutions and funders, and strong partnerships with a host of individuals and organizations. Consequently, our sponsors, funders, colleagues, and service recipients can be confident that CLIR's high level of organizational output will continue.

Nonetheless, like all small, nonprofit organizations, CLIR must cultivate its strengths, and never take them for granted. I urge all readers of this report to continue to support CLIR and to nurture its unique character. As I have tried to show in this message, CLIR can tackle issues too controversial for a membership organization to resolve, can bring disparate groups together without concern for turf or territory, can ask hard questions without accommodating stakeholders, and can provide a safe place for discussions of divisive and difficult issues. Under CLIR's next president, issues and perspectives may change, but the organization will remain capable of dealing with hard questions and new ideas.

I have found joy in working with CLIR's staff, the Board, and hundreds of individuals who are committed to making library and information services more responsive to the requirements of the twenty-first century. To all who have assisted in this significant mission during my tenure, I offer heartfelt thanks.

*Deanna B. Marcum*  
*July 31, 2003*

# THE PROGRAMS

## RESOURCES FOR SCHOLARSHIP

**L**ibraries and other cultural heritage institutions face increasingly difficult choices about what they collect, store, and serve, and how they do it. Now more than ever, society depends on them to provide information resources that are authentic, reliable, and persistent. Working with scholars, librarians, and publishers, CLIR supports the development of strategies to help our cultural institutions retain the richness and diversity of their holdings and to ensure that our shared human record remains accessible for future generations.

### Shared Repositories for Imprints

Among the outcomes of CLIR’s Task Force on the Artifact in Library Collections in 2001 was a set of recommendations to optimize the stewardship of print collections through cooperatively managed storage for low-use materials. To advance these recommendations, CLIR commissioned the Center for Research Libraries to survey shared print repositories to elicit information and guidance about improving the cooperative stewardship of print collections. The survey looked at models for shared storage on behalf of regional library interests and at models for archival or “last-copy” repositories that serve national preservation and access needs.

The results of the survey, together with an analysis of the strengths and weaknesses of the various models investigated, were published in *Developing Print Repositories: Models for Shared Preservation and Access*. Written by Bernard Reilly and Barbara DesRosiers, the report discusses the extent to which current repository models meet the goals of improving the management of and access to low-use print collections that are of high research value.

### The State of Audio Collections in Academic Libraries

Colleges and universities, as well as funding agencies, have expressed increasing interest in broadening access to the rich legacy of original audio recordings found on our nation’s campuses. These materials include field recordings and oral histories, performances and recitals,

readings and lectures, and an array of evidence gathered by social and natural scientists that document cultures, languages, and species.

Responding to this growing interest, CLIR developed a survey that will assess the state of such audio collections on university and college campuses. An advisory group in audio and library administration has reviewed the survey questionnaire to ensure that it covers issues of access, rights management, and preservation that are of concern to library managers. The survey will be conducted in the fall of 2003. The results will serve as the basis of a report, to be published in 2004, that will inform libraries and their home institutions about the wealth of audio resources that exist on campuses (although not necessarily under the control of libraries) and the barriers that must be overcome to broaden access to them.

### 2003 Mellon Dissertation Fellows

**Sarah Abramowicz**, Columbia University, English and comparative literature

**Alan Barenberg**, University of Chicago, Soviet history

**Kate Bartel**, UCLA, musicology

**Kathryn Clippinger**, Cornell University, early American history

**Rebecca Davis**, Yale University, history

**Lester Feder**, University of California, Los Angeles, musicology

**Maria Lane**, University of Texas at Austin, geography

**Helen Lennon**, Yale University, comparative literature

**Lisa Mahoney**, Johns Hopkins University, art history

**Jasmine Mir**, New York University, history

**William Nelson**, University of California, Los Angeles, modern European history

**Anthony Raynsford**, University of Chicago, art history

**Yektan Turkyilmaz**, Duke University, anthropology

### Mellon Dissertation Fellowships for Research in Original Resources

The second year of the Mellon fellowships, aimed at supporting doctoral research in archives and special collections, saw sharp growth in the number of applications over the first year: from 128 to 358. After reviewing the applications, a selection committee of five scholars, a special-collections librarian, and an archivist selected 13 fellows. Nine will receive one year's support, and four will receive short-term support. The fellows' fields of research range from art history and musicology to the history of science and film studies. CLIR convened a research workshop for the fellows in May. Several distinguished archivists and librarians served on the faculty for the event, which was hosted by the Library of Congress.

In March, The Andrew W. Mellon Foundation extended funding to manage the program for three more years, through the 2007–2008 academic year.

## PRESERVATION AWARENESS

**P**reservation is best defined as the ongoing stewardship of collections—an activity as central to library management as is any other core activity. The nature of electronic information has made it clear that decisions concerning preservation cannot be deferred, and that preservation can no longer be the sole responsibility of the library. This year, CLIR continued to focus attention on the preservation needs of information in all formats; to identify key legal, technical, and social barriers to preservation; and to foster understanding of the full range of scholarly processes that should inform preservation decisions.

### National Digital Information Infrastructure and Preservation Program

CLIR has continued to provide expertise, technical support, and other services to help the Library of Congress (LC) coordinate the work of the National Digital Information Infrastructure and Preservation Program

(NDIIPP). The NDIIPP legislation, passed in December 2000, called for a phased approach to building an infrastructure of cooperating institutions to achieve a decentralized yet coherent response to the challenge of long-term access to digital content.

CLIR staff members played a crucial role in the first phase of this effort, which was the preparation of a comprehensive plan. The U.S. Congress accepted that plan in December 2002. The second phase of work has included developing a program announcement for a competitive process that will lead to awards for partnerships with institutions to collect at-risk digital materials. A parallel ongoing effort seeks to raise awareness of digital preservation needs among stakeholder communities in education, research, business, and government.

Community building and outreach have built on a series of stakeholder-convening sessions and scenario-planning workshops held in late 2001 and early 2002. As part of this effort, CLIR has helped prepare papers and publications that have been distributed in the United States and abroad. Articles have been published in library journals and magazines as well as in industry newsletters. CLIR staff members have also helped the LC identify venues at which the digital preservation program can be represented.

### State of Preservation Programs in American College and Research Libraries

CLIR, the Association of Research Libraries (ARL), the University Libraries Group (ULG), and the Regional Alliance for Preservation (RAP) joined forces in 2001 to prepare a study that examines the state of preservation programs in American academic libraries. They were assisted in this process by preservation educators and by representatives from leading liberal arts colleges, land-grant institutions, and the American Library Association. The work was supported by a grant from the federal Institute for Museum and Library Services.

The study gathered both quantitative and qualitative data. Project directors Anne Kenney and Deirdre Stam analyzed the data and presented their findings in a report entitled *The State of Preservation Programs in American College and Research Libraries: Building a Common Understanding and Action Agenda*, which CLIR published in December 2002. The survey results show that, despite the growth of preservation programs in academic libraries, the general library community and its supporters—faculty, administrators, and funders—do not see preservation as central to the library's core work of meeting the information needs of students, teachers, and researchers. The challenge is to recast preservation in the twenty-first century so that it becomes a crucial part of the responsibili-



ties of stewardship, appropriately funded and staffed to ensure ongoing access to the intellectual and cultural resources of the past.

### Redefining Preservation for the Twenty-first Century

CLIR convened a meeting in May to discuss the future of preservation and its role in the stewardship of research collections. The agenda addressed the findings of the report, *The State of Preservation in American Academic Libraries*, described in the previous section.

The meeting brought together knowledgeable and influential members of the research community to identify how data creators, publishers, distributors, and information seekers can work more actively with libraries and archives to ensure the usability of recorded information into the future. In preparation for the meeting, CLIR commissioned papers on the current landscape for preservation; what users are saying about their information needs; how collections and their preservation requirements are changing; how to select collections in all media for acquisition, curation, and preservation; and what new infrastructure services are needed to facilitate preservation in the future. CLIR will publish these papers and a summary of the meeting's outcomes in 2004.

## DIGITAL LIBRARIES



he creation, purchase, preservation, delivery, contextualization, and reuse of digital content have become fundamental activities of the academic library. Libraries are engaging with digital scholarship, pedagogy, and stewardship in ever-more-serious, innovative, and nuanced ways.

The Digital Library Federation (DLF), which operates under CLIR's auspices, has assumed an increasingly visible role in this arena. By June 2003, DLF had grown to a consortium of 30 members and 4 allies that support its activities through membership fees and participation in DLF initiatives, publications, working groups, and twice-yearly forums. New members and allies this year include Dartmouth College, The Johns Hopkins University, and the Los Alamos National Laboratory.

DLF coordinates its members' digital library research and development, identifies standards and best practices, conducts surveys, and provides seed money to explore ideas and to build tools and services that digital libraries need but cannot create individually.

### Reducing Duplicative Effort: Registry of Digitized Books and Journals

DLF libraries have been working for a year on a central registry of preservation-quality digitized books and journals produced by member organi-

zations. DLF's ally, the Online Computer Library Center (OCLC), has taken the lead in this endeavor, and the registry will be housed in the OCLC cataloging system. The first records will be added soon, with the expectation that the scope of and participation in this project will expand after a "proof-of-concept" stage.

The registry will allow libraries to see at a glance what has been done in digitization and to assess the quality of that work. It will also diminish duplication of digitizing effort and promote sharing of content. The recommended specification for the preservation-quality digital books and journals that the DLF/OCLC Registry will record is another DLF product, the *Benchmarks for Digital Reproductions of Printed Monographs and Serials*, which was completed late in 2002.

### Exchanging Expertise: Electronic Resource Management Initiative

Every database and journal service to which libraries subscribe has a license that defines who can legally access the material and how these individuals can use and reuse the data. These licenses have no commonality of format or content, and they take a great deal of staff time to manage. The DLF's Electronic Resource Management Initiative is developing a common XML template into which licensing information can be transferred. The template will make it easier for institutions to share such information (suppressing sensitive information, such as the price paid). The data will also be easier to import into local library management tools. Participants in the initiative hope to persuade the publishers to deliver the license information in this common format, a goal they share with large commercial aggregators of content, who are very interested in the outcome of this project. As a foundation for this work, DLF commissioned a survey and report that was issued as a National Information Standards Organization white paper entitled *The Exchange of Serials Subscription Information*. The paper, written by Ed Jones, was published in October 2002.

In September 2002, the DLF issued *The Digital Library: A Biography* by Daniel Greenstein and Suzanne Thorin. This document draws on the results of a survey and case studies of DLF members on how a range of digital libraries have developed. Such self-reflection, comparison, and analysis help explain digital library evolution and inform planning for future growth.

### Pursuing Common Goals: Global File Format Registry

Many libraries are planning to establish institutional repositories to safeguard the working papers, publications, teaching materials, and other digital expressions of the intellectual work of universities. As faculty-produced documents are deposited in long-term storage, institu-

tions need to save information about the different file formats in which those documents are held and the software packages needed to access them.

In response to this trend, the DLF has convened an international group of digital preservation and software specialists to define and plan a Global File Format Registry. The registry would serve as a trusted central location in which file format information could be stored to prevent the need for each institution to build and maintain a smaller, individual registry.

### **Enriching Scholarship: Open Archives Initiative**

Working with the Coalition for Networked Information, the DLF supported the Open Archives Initiative (OAI) through its initial two-year development. OAI offers an easy, standard way to “expose” a simple catalog record of a digital library resource to a “harvester” service that gathers up millions of these records and rearranges them into a Web-based service. This service allows records to be searched by author, title, subject, or other field. The material for which OAI records are created is often part of the dark Web—that is, items that search engines cannot read. The OAI has been adopted widely around the world and has occasioned a series of testbeds funded by The Andrew W. Mellon Foundation. The National Science Foundation’s National Science Digital Library is now supporting the OAI organization.

### **Looking Forward**

At a strategic planning retreat in February 2003, the DLF reaffirmed as its central goal the prime directive of its 1995 founding charter: “The implementation of a distributed, open digital library . . . accessible across the global Internet.” Members are newly committed to creating a single library out of their distributed digital holdings and to the deep sharing of their content. This would allow members to download digital objects from other libraries into local services and projects. These objects could then be enriched with local metadata, crafted into course-based mini-libraries, converted into e-books, used in local desktop analysis software, and so on. This would represent a departure from the current arrangement in which content created by member libraries is often freely available to all, but only on the host institution’s terms and with the proviso that the content cannot be combined with material of one’s own, annotated, or cross-searched with objects from other archives. The goal of creating a single library brings with it a range of technical challenges, rights-management issues, and other hurdles that will exercise members’ ability to work collaboratively in the coming years.

## ECONOMICS OF INFORMATION

**I**nformation organizations face a huge economic challenge in fulfilling time-honored roles while meeting new demands from users for services and technology in the digital environment. CLIR supports work to examine the demands posed by the new environment, the implications of change for traditional services, and practical alternatives for providing cost-effective access to information.

### CLIR/Stillwater Work Redesign Project

A changing technological environment is forcing libraries to consider how they might provide public and technical services more efficiently. With a grant from The Andrew W. Mellon Foundation, six directors of consortial libraries are working with CLIR and the Stillwater Group to learn about work redesign and to develop work-redesign projects for their organizations. The directors have taken part in two workshops on the topic and will begin their projects in the fall of 2003. The directors hope to gain efficiencies in traditional areas, allowing them to redeploy staff to work more closely with faculty in the new areas of information literacy, and to begin putting effort into digital-asset management. The directors plan to complete their projects by the summer of 2005, and CLIR will publish the results of their work.

## LEADERSHIP

**C**hanges in scholarly communication, closer working relationships between scholars and librarians, shifts in business models, and ever-greater emphasis on access to the full range of information resources require consideration of the competencies that libraries and other information organizations will need in the future. CLIR's Board has made leadership for the information professions a priority. Accordingly, in the past year, CLIR has continued several programs that have shown success in addressing leadership issues and has created an important new initiative.

### Frye Leadership Institute

The Frye Leadership Institute held its fourth session at Emory University June 1–13. The number of applicants exceeded all previous years: 190 applications for the 47 available slots. The class selected included 19 librarians, 19 information technology specialists, 1 faculty member with exclusive teaching responsibilities, and 8 faculty members with blended responsibilities.

The curriculum for this year's Institute brought 31 outstanding leaders in higher education to the Emory campus. Topics included trends and future directions of higher education, changes in scholarly communication, finance, and personal leadership development.

### Frye Institute Participants Class of 2003

Stephen R. Acker, The Ohio State University  
 Rosie L. Albritton, Florida Memorial College  
 Rachel Applegate, The College of Saint Scholastica  
 Carolyn D. Argentati, North Carolina State University Libraries  
 Lanny Arvan, University of Illinois at Urbana-Champaign  
 Barry Bandstra, Hope College  
 William Beyer, Hartwick College  
 Suzanne Bonefas, Associated Colleges of the South  
 Connie Brooks, Stanford University  
 Douglas Carlson, New York University  
 Megan E. Caverly, Library of Congress  
 G. Sayeed Choudhury, Johns Hopkins University  
 Vicki Coleman, University of Virginia  
 Mark Crase, The California State University  
 Teresa A. Fishel, Macalester College Library  
 Michael Furlough, University of Virginia  
 Susan L. Gibbons, University of Rochester  
 Mary Jo Gorney-Moreno, San Jose State University  
 Susan M. Grotevant, University of Minnesota  
 Gary F. Guest, University of Texas Health Science Center at San Antonio  
 Carolyn Hart, Atlanta University Center, Inc.  
 Linda Simmons Henry, St. Augustine's College  
 Erla P. Heyns, Cornell University  
 Lisa Janicke Hinchliffe, University of Illinois at Urbana-Champaign  
 Clive Houston-Brown, University of LaVerne  
 Karen Howell, University of Southern California  
 Darrel Huish, Arizona State University  
 Diana Hurter, University of Cape Town  
 Susan Lafferty, University of New South Wales  
 Tracey Leger-Hornby, Brandeis University  
 Michael D. Miller, University of Michigan  
 Mary Molinaro, University of Kentucky  
 Thomas Monaghan, University of Notre Dame  
 Deb Morley, Harvard University  
 Patrick Newell, California State University, Fresno  
 Andrea Nixon, Carleton College  
 Chris E. Penniman, Connecticut College  
 Philip Ponella, University of Rochester  
 Nikki Reynolds, Hamilton College  
 Paul Ruppert, University of Toronto  
 Sandeford J. Schaeffer III, University of Memphis  
 Patricia A. Schoknecht, University of Richmond  
 Louise M. Schulden, University of California, Berkeley  
 Lisa Spiro, Rice University  
 Joan Swanekamp, Yale University  
 David Weil, Ithaca College  
 Catherine Yang, Bentley College

Each participant will carry out a yearlong practicum in his or her institution. The practicum must demonstrate collaboration among academic units.

### Academic Librarians Advisory Committee

College libraries and smaller research libraries must adapt to the networked environment, but they have small staffs and limited resources. The Academic Librarians Advisory Committee (ALAC) was formed to explore how colleges, small and midsize universities, and independent research libraries are using digital information technology to improve research and teaching, and to identify and help resolve issues needing attention.

This year, the ALAC continued to advocate for the improvement of courseware management systems, specifically that they be developed to include library content and services. The group also contracted with Leigh Watson Healy of Outsell, Inc., to study how college and smaller university libraries conduct outreach and how they publicize their resources and services.

### Chief Information Officers of Liberal Arts Colleges

Many small academic institutions are beginning to merge library and information technology (IT) support into a single unit. In response to a request from leaders of such units, CLIR last year agreed to provide a forum in which their concerns could be treated as an integrated whole. This year, a group of 22 directors of merged library and IT organizations serving liberal arts colleges met twice to discuss organizational and policy issues that are unique to their environments. They also shared ideas on cost-saving measures they are implementing in their organizations. Three members of the group are writing a paper that will identify issues that campus provosts and presidents should consider before deciding to merge their information services. Their findings will be available in 2004.

### Postdoctoral Fellowships for Recent Ph.D.s in the Humanities

At its November 2002 meeting, the CLIR Board charged the staff with convening a working group of library directors and academic administrators to develop a plan for the formation of a network of teaching libraries that will offer postdoctoral fellowships for recent Ph.D.s in the humanities. The working group met in Sarasota, Florida, on January 17, 2003, and created guidelines for the new fellowship program.

Beginning in the fall of 2004, a group of academic and research libraries will offer one- or two-year postdoctoral fellowship opportunities that will be available through an open competition. The program responds to changes in scholarly communication, new methods of teaching and learning, ever-closer connections between the creation and curation of

information resources, and emerging expectations of information users about the role of librarians in the scholarly and instructional process.

The fellows will begin the assignment with a common experience of at least two weeks, during which time they will be introduced to the history and culture of librarianship, the challenges facing libraries, and the new models of digital scholarship. After that, they will work on specific projects in the library for which they have been selected. The participants will have a significant connection to an academic department, in addition to having an assignment in the library.

Institutions involved in the discussions to date are Bryn Mawr College, Dartmouth College, Duke University, Johns Hopkins University, North Carolina State University, Princeton University, Rice University, University of Illinois, University of Rochester, University of Southern California, University of Virginia, and Yale University.

### Zipf Fellowship

Terry Harrison, a Ph.D. student in the Department of Computer Science at Old Dominion University in Norfolk, Virginia, was named the seventh recipient of the Zipf Fellowship. Mr. Harrison's research interests lie in developing strategies and tools to keep information safe and accessible over time. He is especially interested in building intelligence into digital objects that hold data so that they are less reliant on proprietary systems.

The Zipf Fellowship is awarded annually to the student in some field of information management or systems who best exemplifies the ideals of Al Zipf, the information science pioneer for whom the award is named.

## INTERNATIONAL DEVELOPMENTS

**I**n the digital age, information easily transcends national boundaries. CLIR's international agenda is guided by its mission to expand access to information, whether by cooperating on best practices for data exchange, offering training in basic preservation, or recognizing the extraordinary efforts of institutions abroad to expand access to technology for learning.

### Bill & Melinda Gates Foundation Access to Learning Award

CLIR manages the Bill & Melinda Gates Foundation Access to Learning Award, which rewards public libraries or similar kinds of organizations outside the United States for innovative programs that give the public free access to information technology. The annual award is intended

to inspire others to expand access to information, particularly for underserved populations.

South Africa's Smart Cape Access Project received the 2003 award for its exceptional efforts to give citizens of Cape Town greatly expanded access to information by making computers and the Internet available without charge. In its second year soliciting applications and administering the award, CLIR received over 300 applications from 80 countries, more than double the number in 2002. An international advisory committee of librarians and information technology experts reviewed the applications and selected the recipient.

### **Web-Based Tutorial on Preservation and Conservation for Developing Countries**

In cooperation with Cornell University Library, CLIR launched the first Web-based tutorial on preservation for Southeast Asia in October. The tutorial helps libraries, archives, and other kinds of information institutions across Southeast Asia evaluate their state of preservation preparedness and find ways to protect their collections. Many resources in institutions across Southeast Asia are unique and pose special challenges to preservationists because of the tropical climate and nature of specific materials, such as palm leaf. The site has been well received and now records an average of 9,350 hits each day.

### **International Advisory Committee**

With rapid changes in the scholarly and information realm occurring throughout the world, CLIR began reassessing its international agenda to determine its future course. It established an International Advisory Committee of leading librarians and information technology experts from Asia, Africa, Europe, Latin America, and the Middle East. The committee met in late spring to help CLIR explore areas of mutual interest in library leadership, preservation awareness, and digital libraries. Committee members continue to advise CLIR on international developments and potential projects and partners.

### **Rovelstad Scholarship in International Librarianship**

Instituted in 2002, the Rovelstad Scholarship encourages library students who have an interest in international library work by enabling them to attend the World Library and Information Congress, the annual meeting of the International Federation of Library Associations and Institutions (IFLA). Anna Lasota, a graduate student in library and information studies at the University of Kentucky, was named the first scholarship recipient. The award, which was created with a grant from Mathilde and Howard Rovelstad, provides travel funds for a student of library and information science to attend the Congress.

## OUTREACH

Every two months over the past year, some 6,000 higher-education executives—presidents, provosts, and heads of academic libraries—received free copies of *CLIRinghouse*, a one-sheet bulletin designed to provide quick analysis of information issues affecting colleges and universities in the digital era. With financial help from the H. W. Wilson Foundation, CLIR started this publication in 2001 in response to concerns that busy executives had little opportunity to keep up with accelerating developments in the application of digital technology to scholarship and teaching. Six issues of the bulletin appeared this fiscal year. Topics covered include electronic-information use, massive digitization, collaborative collecting and storing, shifts in library services, and digital-era leadership development.

This fiscal year, CLIR also placed articles about digital-era concerns in periodicals read by campus executives, librarians, and information technologists. Articles by CLIR staff members appeared in, or were accepted for future publication in, *The Blackwell Companion to Digital Humanities*; *D-Lib Magazine*; *EDUCAUSE Review*; *IEEE Annals of the History of Computing*; *First Monday*; *Liberal Education*; *Library Issues*; *Library Trends*; *Trusteeship*; *JOHO KANRI*, a Japanese journal of information processing and management; and *Zeitschrift für Bibliothekswesen und Bibliographie*, a German library journal. In addition, throughout the fiscal year, Deanna Marcum served as guest editor of the "E-Content" department of *EDUCAUSE Review*. In all of this outreach, CLIR tried to extend access to useful insight and information coming out of its work.



# PUBLICATIONS

JULY 1, 2002–JUNE 30, 2003

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## MONOGRAPHS AND REPORTS

*The State of Digital Preservation: An International Perspective.* Conference Proceedings, Documentation Abstracts, Inc., Institutes for Information Science, Washington, D.C., April 24–25, 2002. July 2002.

*Diffuse Libraries: Emergent Roles for the Research Library in the Digital Age.* Wendy Lougee. August 2002.

*The Digital Library: A Biography.* Daniel Greenstein and Suzanne E. Thorin. September 2002.

*Dimensions and Use of the Scholarly Information Environment: Introduction to a Data Set Assembled by the Digital Library Federation and Outsell, Inc.* Amy Friedlander. November 2002.

*The State of Preservation Programs in American College and Research Libraries: Building a Common Understanding and Action Agenda.* Anne R. Kenney and Deirdre C. Stam. December 2002.

*Copyright Issues Relevant to the Creation of a Digital Archive: A Preliminary Assessment.* A report to the Library of Congress for the U.S. National Digital Information Infrastructure and Preservation Program (NDIIPP). June Beseck. January 2003.

*Biblored: Colombia's Innovative Library Network.* María Cristina Caballero. February 2003.

*New-Model Scholarship: How Will It Survive?* Abby Smith. March 2003.

*Library Buildings and the Building of a Collaborative Research Collection at the Tri-College Libraries.* Judy Luther, Linda Bills, Amy McColl, Norm Medeiros, Amy Morrison, Eric Pumroy, and Peggy Seiden. April 2003.

*National Digital Preservation Initiatives: An Overview of Developments in Australia, France, the Netherlands, and United Kingdom and Related International Activity.* A report to the Library of Congress for the U.S. National Digital Information Infrastructure and Preservation Program (NDIIPP). Neil Beagrie. April 2003.

*Developing Print Repositories: Models for Shared Preservation and Access.* Bernard Reilly and Barbara DesRosiers. May 2003.

*A Survey of Digital Cultural Heritage Initiatives and their Sustainability Concerns.* Diane Zorich. June 2003.

*CLIR Annual Report, 2001-2002.*

## NEWSLETTERS

*CLIR Issues*, nos. 28–33

*CLIRinghouse*, nos. 11–16

## ADVISORY GROUPS

### Academic Library Advisory Committee

---

Nicholas C. Burckel  
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Connie V. Dowell  
San Diego State University

Michael Haeuser  
Gustavus Adolphus College

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Elsevier Science

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University of Chicago

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Engineers, Inc.

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Mortenson Center for International  
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Council on Library and Information  
Resources

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(U.K.)

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Gary Strong  
The Queens Borough Public Library

Peter Szanto  
Information Technology Supply Ltd.  
(Hungary)

Robert Wedgeworth  
ProLiteracy Worldwide

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California Digital Library

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Champaign

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Tom Leonard  
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\* indicates DLF Allies

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Carton Rogers  
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Indiana University

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Princeton University

William Walker  
New York Public Library

Beacher Wiggins  
Library of Congress

Lizabeth Wilson  
University of Washington

Karin Wittenborg  
University of Virginia

David Seaman (*ex officio*)  
Digital Library Federation

### CLIR Audio Collections Advisory Group

---

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Association of Research Libraries

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Daniel Reed  
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University of California, Santa Barbara

Abby Smith, *Chairman*  
Council on Library and Information  
Resources

Michael Taft  
American Folklife Center  
Library of Congress

### Mellon Fellowships Selection Committee 2003

---

Sahar Amer  
University of North Carolina at  
Chapel Hill

V. Chapman-Smith  
National Archives and Records  
Administration

Mark Dimunation  
Library of Congress

Erik Hinderaker  
University of Utah

Michael Ann Holly  
Clark Art Institute

Stephen G. Nichols  
Johns Hopkins University

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Resources

Robert Walser  
University of California, Los Angeles

### A. R. Zipf Fellowship Selection Committee

---

Kent Smith, *Chairman*  
National Library of Medicine

Christine Borgman  
University of California, Los Angeles

Martin Cummings

Billy Frye  
Emory University

Deanna B. Marcum  
Council on Library and Information  
Resources

Rena Zipf

# GRANTS AND CONTRACTS

ACTIVE IN FY 2003

Recipient	Purpose	Authorized	Amount
Archives and Museum Informatics Pittsburgh, PA	To prepare a feasibility study and implementation plan for creating a testbed for an image database	9/10/2001	\$21,000
Bennett, Scott Urbana, IL	To conduct a survey and write a report on reconceptualizing the academic library as a space for teaching and learning	2/25/2002	\$15,200
Bishoff, Liz Denver, CO	To develop a business planning framework to assist cultural heritage institutions planning sustainable online access to their assets	1/6/2003	\$8,400
Bishoff, Liz Denver, CO	To write a report to assist cultural heritage institutions planning sustainable online access to their assets	1/6/2003	\$24,200
Brogan, Martha New Haven, CT	To conduct a review of programs undertaken by libraries to recruit individuals with academic backgrounds to the profession	4/8/2003	\$5,000
Caballero, María Christina Watertown, MA	To produce English/Spanish case studies on Biblored in Bogotá, Colombia	8/7/2002	\$5,000
California Digital Libraries Oakland, CA	To write and present an essay on changing patterns of information use and the implications for stewardship	2/24/2003	\$2,000
Center for Research Libraries (CRL) Chicago, IL	To conduct a survey of and write a report on regional repository efforts	9/23/2002	\$15,000
Columbia University Press New York, NY	To convene focus sessions on accessing electronic publications	5/18/1999	\$20,000
Communications Office, The Alexandria, VA	To design and conduct a survey and analyze data on the state of audio collections in academic libraries	12/30/2002	\$30,000
Cornell University Computing Science Department Ithaca, NY	To support Cornell University's work on the Open Archives initiative (OAi)	11/13/2000	\$177,467
Cornell University Office of Sponsored Programs Ithaca, NY	To develop a Web-based tutorial on preservation and conservation for Southeast Asia	10/1/2001	\$124,886
D'Amato, Donald Falls Church, VA	To produce a paper assessing the impact of image quality on digitized books and journals	6/20/2002	\$22,200

Recipient	Purpose	Authorized	Amount
Demas, Sam Northfield, MN	To write an essay on the library as cultural center	7/18/2002	\$1,500
European Commission on Preservation and Access Amsterdam, The Netherlands	To support the European School for Scanning's first program	12/11/2001	\$12,000
Ferguson, Chris Tacoma, WA	To write an essay on leadership	2/13/2003	\$3,000
Flecker, Dale Cambridge, MA	To coordinate DLF projects during summer 2002	6/20/2002	\$5,000
Freeman, Geoffrey Boston, MA	To write an essay on how changes in learning patterns, collections technology, and use are affecting the design of library space	9/20/2002	\$1,500
Frischer, Bernard Los Angeles, CA	To write a report on new digital technology and the research library	6/18/2002	\$2,000
Fundação Biblioteca Nacional Ministério da Cultura Rio de Janeiro, Brazil	To support the project "USA and Brazil: Expanding Frontiers"	6/12/2003	\$5,000
IFLA The Hague, Netherlands	To support the IFLA Core Programme for Preservation and Conservation	4/15/2002	\$20,000
IFLA The Hague, Netherlands	To support the IFLA preconference, "Preparing for the Worst, Planning for the Best: Protecting Our Cultural Heritage from Disaster"	6/8/2003	\$6,000
Ivey, Bill Nashville, TN	To write and present an essay on setting priorities for preservation	2/24/2003	\$2,000
Keller, Michael Stanford, CA	To write an essay on leadership	2/13/2003	\$3,000
Kenney, Anne R. Ithaca, NY	To write and present an essay on the changing information resource base to be preserved	2/24/2003	\$2,000
Lotze, Evie Kearneysville, WV	To lead a session on personal leadership styles at the Mortenson Center on June 26, 2002	6/21/2002	\$2,000
Luna Imaging, Inc. Culver City, CA	To digitize images for the ArtSTOR Digital Bartsch Collection	2/1/2002	\$498,375

Recipient	Purpose	Authorized	Amount
Moore, Carole Ontario, Canada	To report on digital archiving and the provision of electronic resources to members of the academic community	5/30/2002	\$932
Mortenson Center for International Library Programs Urbana, IL	To support the International Librarianship Leadership Program	4/8/2002	\$20,000
National Information Standards Organization (NISO) Bethesda, MD	To conduct a prestandardization study on a standard format for exchanging serials subscription information	4/21/2002	\$4,025
National Institute for Standards and Technology (NIST) Gaithersburg, MD	To write a report on the care, handling, and long-term storage of optical media	8/8/2002	\$35,000
National Library of Australia Canberra, Australia	To help support the PADI project	7/18/2002	\$20,000
Oakley, Robert Washington, DC	To produce a report on copyright and intellectual property issues as discussed at the 2002 IFLA conference	7/25/2002	\$2,000
Oakley, Robert Washington, DC	To write a report on current issues in intellectual property	5/15/2003	\$3,000
Opal Publishing/Abaris Books Norwalk, CT	To assist in the digitization of images for the ArtSTOR Digital Bartsch collection	2/1/2002	\$221,050
Outsell, Inc. Burlingame, CA	To design a study to assess the extent, nature, and use of scholarly information by students and faculty at universities and liberal arts colleges	7/12/2001	\$363,611
Outsell, Inc. Burlingame, CA	To support the CLIR/ALAC outreach services study	11/25/2002	\$18,500
Peterson, Christina Sunnyvale, CA	To write an essay on merging a public and an academic library	10/21/2002	\$1,500
Re, Peggy Silver Spring, MD	To design, lay out, and oversee the production of a publication on Biblored	1/10/2003	\$3,500
Rodgers, David Ann Arbor, MI	To write a report, <i>Business Analysis, Strategy, and Planning for Sustainable Web Access to Cultural Heritage Collections</i>	8/13/2001	\$12,000
Southeastern Library Network, Inc. (SOLINET) Atlanta, GA	To support a conference to establish collaboration between HBCU libraries	6/24/2002	\$25,000



Recipient	Purpose	Authorized	Amount
Stam, Deirdre Syracuse, NY	To conduct a survey and develop case studies on the state of preservation programs in American college and university libraries	10/10/2001	\$26,000
Stillwater Group Stillwater, NJ	To develop plans for specific work-process redesign projects in liberal arts college libraries	4/23/2003	\$31,625
University of Tennessee Knoxville, TN	To summarize important studies of the use of electronic resources	9/19/2002	\$24,500
Visual Resources Association Charlottesville, VA	To develop a guide for standards in digital objects and images	1/23/2002	\$30,000
Wittenborg, Karin Charlottesville, VA	To write an essay on leadership	2/13/2003	\$3,000
Zorich, Diane M. Princeton, NJ	To conduct a survey of American-based digital cultural heritage initiatives	8/12/2002	\$20,000
Zorich, Diane M. Princeton, NJ	To produce a report on a survey of American-based digital cultural heritage initiatives	3/10/2003	\$5,200

COUNCIL ON LIBRARY AND INFORMATION RESOURCES

FINANCIAL STATEMENTS  
WITH  
ADDITIONAL INFORMATION

FOR THE YEAR ENDED JUNE 30, 2003  
(With Summarized Financial Information for June 30, 2002)

WITH  
INDEPENDENT AUDITORS' REPORT

STONE AND SPRING  
Certified Public Accountants  
Herndon, Virginia

## COUNCIL ON LIBRARY AND INFORMATION RESOURCES

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**STONE AND SPRING**  
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**INDEPENDENT AUDITORS' REPORT**

To the Board of Trustees  
 Council on Library and Information Resources  
 Washington, DC

We have audited the accompanying statement of financial position of Council on Library and Information Resources (a nonprofit organization) as of June 30, 2003, and the related statements of activities and changes in net assets and of cash flows for the year then ended. These financial statements are the responsibility of Council on Library and Information Resources' management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Council on Library and Information Resources as of June 30, 2003 and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated August 28, 2003 on our consideration of Council on Library and Information Resources' internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Our audit was performed for the purpose of forming an opinion on the basic financial statements of Council on Library and Information Resources taken as a whole. The accompanying schedule of functional expenses is presented for purposes of additional analysis and is not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Certified Public Accountants

August 28, 2003  
 Herndon, Virginia

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COUNCIL ON LIBRARY AND INFORMATION RESOURCES

STATEMENT OF FINANCIAL POSITION

June 30, 2003

(With summarized financial information for June 30, 2002)

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total 2003</u>	<u>Total 2002</u>
<b>Assets</b>				
Cash and cash equivalents	\$ 966,040	\$ 709,884	\$ 1,675,924	\$ 1,700,399
Investments	-	5,720,976	5,720,976	7,005,631
Accounts receivable	51,505	403,911	455,416	108,328
Furniture and equipment, net	40,234	-	40,234	41,862
Other assets	<u>31,736</u>	<u>-</u>	<u>31,736</u>	<u>23,673</u>
Total Assets	<b><u>\$ 1,089,515</u></b>	<b><u>\$ 6,834,771</u></b>	<b><u>\$ 7,924,286</u></b>	<b><u>\$ 8,879,893</u></b>
<b>Liabilities and Net Assets</b>				
Accounts payable	\$ 38,655	\$ 279,897	\$ 318,552	\$ 416,939
Accrued expenses	78,557	-	78,557	65,564
Deferred revenue	-	135,000	135,000	-
Sublet deposits	<u>2,956</u>	<u>-</u>	<u>2,956</u>	<u>2,956</u>
Total Liabilities	<u>\$ 120,168</u>	<u>\$ 414,897</u>	<u>\$ 535,065</u>	<u>\$ 485,459</u>
Net Assets	<u>969,347</u>	<u>6,419,874</u>	<u>7,389,221</u>	<u>8,394,434</u>
Total Liabilities and Net Assets	<b><u>\$ 1,089,515</u></b>	<b><u>\$ 6,834,771</u></b>	<b><u>\$ 7,924,286</u></b>	<b><u>\$ 8,879,893</u></b>

The accompanying notes to financial statements are an integral part of this statement.

COUNCIL ON LIBRARY AND INFORMATION RESOURCES

STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

For the Year Ended June 30, 2003  
(With summarized financial information for June 30, 2002)

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total 2003</u>	<u>Total 2002</u>
Revenue				
Grants and contracts	\$ 383,547	\$ 2,143,971	\$ 2,527,518	\$ 4,024,654
Contributions	498,100	1,792,625	2,290,725	1,622,438
Publication sales	10,502	-	10,502	13,119
Investment income	104,946	193,494	298,440	191,156
Other income	<u>13,183</u>	<u>-</u>	<u>13,183</u>	<u>10,000</u>
	<u>\$ 1,010,278</u>	<u>\$ 4,130,090</u>	<u>\$ 5,140,368</u>	<u>\$ 5,861,367</u>
Net Assets released from restrictions				
Satisfaction of program restrictions	<u>\$ 5,177,227</u>	<u>\$ (5,177,227)</u>	<u>\$ -</u>	<u>\$ -</u>
Total Revenue	<u>\$ 6,187,505</u>	<u>\$ (1,047,137)</u>	<u>\$ 5,140,368</u>	<u>\$ 5,861,367</u>
Expenses				
Program services:				
Preservation	\$ 1,728,537	\$ -	\$ 1,728,537	\$ 1,427,776
Leadership	2,046,059	-	2,046,059	326,720
Digital libraries	1,611,745	-	1,611,745	1,594,469
Resources for scholarship	180,877	-	180,877	137,131
Economics of information	<u>27,222</u>	<u>-</u>	<u>27,222</u>	<u>6,918</u>
Total Program services	<u>\$ 5,594,440</u>	<u>\$ -</u>	<u>\$ 5,594,440</u>	<u>\$ 3,493,014</u>
Administration	<u>551,141</u>	<u>-</u>	<u>551,141</u>	<u>610,844</u>
Total Expenses	<u>\$ 6,145,581</u>	<u>\$ -</u>	<u>\$ 6,145,581</u>	<u>\$ 4,103,858</u>
Change in Net Assets	41,924	(1,047,137)	(1,005,213)	1,757,509
Net Assets, Beginning of Year	<u>927,423</u>	<u>7,467,011</u>	<u>8,394,434</u>	<u>6,636,925</u>
Net Assets, End of Year	<u>\$ 969,347</u>	<u>\$ 6,419,874</u>	<u>\$ 7,389,221</u>	<u>\$ 8,394,434</u>

The accompanying notes to financial statements are an integral part of this statement.

COUNCIL ON LIBRARY AND INFORMATION RESOURCES

STATEMENT OF CASH FLOWS

For the Year Ended June 30, 2003  
(With summarized financial information for June 30, 2002)

	<u>2003</u>	<u>2002</u>
Operating Activities		
Change in net assets	\$ (1,005,213)	\$ 1,757,509
Adjustments to reconcile change in net assets to net cash provided by (used) in operating activities		
Depreciation	25,047	22,629
Unrealized (gain) loss on investments	(32,899)	168,929
(Increase) decrease in other assets	(8,063)	3,096
(Increase) decrease in accounts receivable	(347,088)	(108,328)
Increase (decrease) in accounts payable and accrued expenses	(85,394)	9,245
Increase (decrease) in deferred revenue	<u>135,000</u>	<u>-</u>
Net Cash Provided (used) By Operating Activities	\$ <u>(1,318,610)</u>	\$ <u>1,853,080</u>
Investing Activities		
Proceeds from sales of investments	\$ 6,497,171	\$ 5,673,682
Purchases of investments	(5,179,617)	(6,503,132)
Purchases of furniture and equipment	<u>(23,419)</u>	<u>(9,966)</u>
Net Cash Provided (used) By Investing Activities	\$ <u>1,294,135</u>	\$ <u>(839,416)</u>
Financing Activities		
Principal payments on capital lease	\$ -	\$ (2,510)
Net Cash Provided (used) By Financing Activities	\$ -	\$ (2,510)
Net Change in Cash and Cash Equivalents	\$ (24,475)	\$ 1,011,154
Cash and cash equivalents, beginning of year	<u>1,700,399</u>	<u>689,245</u>
Cash and cash equivalents, end of year	\$ <u>1,675,924</u>	\$ <u>1,700,399</u>
Supplemental Cash Flow Information		
Interest paid during the year	\$ -	\$ 662

The accompanying notes to financial statements are an integral part of this statement.

## COUNCIL ON LIBRARY AND INFORMATION RESOURCES

## NOTES TO FINANCIAL STATEMENTS

June 30, 2003

## NOTE 1- Organization

The Council is a not-for-profit organization incorporated under the laws of the District of Columbia in 1988 for the purpose of fostering, developing, and supporting systematic and purposeful collaboration in order to ensure the preservation of the published and documentary record in all formats and provide equitable access to that information.

The Council's operations are financed through contributions from colleges, universities and other organizations and through general support grants and restricted grants from private foundations and other sources. The Council conducts its work directly through committees and working groups as well as through contracts with other organizations and individuals.

## NOTE 2- Summary of Significant Accounting Policies

Basis of accounting - The accompanying financial statements of the Council have been prepared on the accrual basis.

Grant revenue and recognition of grantor restrictions - The Council reports grants as temporarily restricted support if they are received with grantor stipulations that limit the use of the grants as to time or purpose. When either condition is satisfied, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities and changes in net assets as net assets released from restrictions. Support that is restricted by the grantor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized.

Contracts / Grants payable - Contracts made by the Council are recorded as contracts payable and expensed at the time contracts are awarded. Current period expenses are adjusted for contract refunds or over appropriations when received.

Board designated net assets - From time to time, the Board of Directors designates a portion of unrestricted net assets for various short-term projects.

Cash and cash equivalents - For purposes of the statement of cash flows, cash and cash equivalents consist primarily of deposits in a money market account and investments with original maturities of 90 days or less.

Advertising costs - Advertising costs are expensed as incurred.



## COUNCIL ON LIBRARY AND INFORMATION RESOURCES

## NOTES TO FINANCIAL STATEMENTS

June 30, 2003  
(Continued)

## NOTE 2- Summary of Significant Accounting Policies (continued)

Functional allocation of expenses - Costs of the various programs have been summarized on a functional basis in the accompanying financial statements. Certain indirect costs which include rent and other expenses are identified as support services costs and have been allocated directly to programs and administration. Salaries and travel costs have been allocated directly to programs and administration on a time-allocated basis.

Furniture and Equipment - Furniture and equipment are recorded at cost, less accumulated depreciation. Depreciation expense is computed using the straight-line method over the estimated useful lives of the respective assets. Expenditures for maintenance and repairs are charged against income as incurred; betterments which increase the value or materially extend the life of the related assets are capitalized.

Contributions - The Council records grant income as unrestricted, temporarily restricted, or permanently restricted support, depending upon the terms and conditions of the grant.

Fair value of financial instruments - Management estimates that the fair value of all financial instruments at June 30, 2003 does not differ materially from the aggregate carrying values reported in the accompanying statement of financial position due to the short term maturities of those instruments.

Use of estimates - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Summarized financial information - The financial statements include certain prior year comparative information summarized in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Council's financial statements for the year ended June 30, 2002 from which the summarized information was derived.

Reclassification of prior year information - Certain amounts from the prior year have been reclassified to enhance comparability.

COUNCIL ON LIBRARY AND INFORMATION RESOURCES

NOTES TO FINANCIAL STATEMENTS

June 30, 2003  
(Continued)

NOTE 2- Summary of Significant Accounting Policies (continued)

Investments – The Organization has adopted SFAS No. 124, “Accounting for Certain Investments Held by Not-for-Profit Organizations.” Under SFAS No. 124, investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the statement of financial position. Unrealized gains and losses are included in the change in net assets. Investment income and gains restricted by a donor are reported as increases in unrestricted net assets if the restrictions are met (either by passage of time or by use ) in the reporting period in which the income and gains are recognized.

Investment return consists of the following at June 30, 2003

	Gain/(loss) on <u>Investments</u>	Unrealized Gain/(loss) on <u>Investments</u>	<u>Fair Value</u>
Stocks	\$ 4,466	\$ 7,014	\$ 79,372
Corporate fixed income	123,355	(19,772)	2,104,654
Government securities	73,552	-	1,081,451
Certificate of deposit	1,012	-	49,930
Mutual funds	<u>53,486</u>	<u>45,657</u>	<u>2,405,569</u>
Subtotal	\$ 255,871	\$ 32,899	\$ <u>5,720,976</u>
Cash and cash equivalents	<u>9,670</u>	<u>-</u>	\$ <u>1,675,924</u>
Total	\$ <u>265,541</u>	\$ <u>32,899</u>	

NOTE 3 - Income Taxes

The Council is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and applicable regulations of the District of Columbia.

NOTE 4 - Furniture and Equipment

Furniture and equipment consist of the following:

	<u>2003</u>	<u>2002</u>
Furniture and equipment	\$ 167,719	\$ 144,300
Leasehold improvements	<u>4,015</u>	<u>4,015</u>
	171,734	148,315
Less: accumulated depreciation and amortization	<u>(131,500)</u>	<u>(106,453)</u>
	\$ <u>40,234</u>	\$ <u>41,862</u>

COUNCIL ON LIBRARY AND INFORMATION RESOURCES

NOTES TO FINANCIAL STATEMENTS

June 30, 2003  
(Continued)

NOTE 5 - Net Assets released from Restrictions

Net assets were released from grantor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of other events specified by grantors.

NOTE 6 - Retirement Plan

Employees are eligible for participation in the Council's defined contribution retirement annuity program ("the Plan") administered through the TIAA/CREF insurance companies. Individual contracts issued under the Plan provide for full and immediate vesting of the Council's contributions. The Council contributes 15% of employees' salaries to the Plan each year. The Council's contributions were \$170,313 and \$125,130 in 2003 and 2002, respectively.

NOTE 7 - Concentrations of Credit Risk

Financial instruments which potentially subject the Council to concentrations of credit risk consist primarily of cash equivalents. At June 30, 2003 and 2002, approximately \$1,169,916 and \$637,065 respectively, in cash equivalents was being held by third parties in money market accounts that invest solely in United States government securities. This amount is not insured by the Federal Deposit Insurance Corporation. In addition, cash in the bank at June 30, 2003 and 2002 exceeded FDIC insurance limits by approximately \$406,008 and \$1,054,873. Furthermore, all balances in investment accounts are uninsured.

NOTE 8 - Commitments

The Council has entered into a noncancelable operating lease agreement for its office space which expires in August 2009. The Council is subleasing a portion of its space until August 2004. Rental expense, net of sublease income for the year ending June 30, 2003 was \$144,209.

Future minimum payments under all leases, net of sublease receipts, are as follows:

Year Ending June 30,	Operating <u>Lease</u>
2004	\$ 144,642
2005	186,796
2006	201,749
2007	209,819
2008	218,212
Thereafter	<u>36,603</u>
Total	\$ <u>997,821</u>

COUNCIL ON LIBRARY AND INFORMATION RESOURCES

NOTES TO FINANCIAL STATEMENTS

June 30, 2003  
(Concluded)

NOTE 9 – Accounts Receivable	June 30, <u>2003</u>
Account balances are aged as follows	
Current	\$ 382,416
30 – 60 days	73,000
60 – 90 days	-
Over 90 days	-
Less: Allowance for doubtful accounts	<u>-</u>
Total Accounts Receivable	<u>\$ 455,416</u>

NOTE 10 – Deferred Revenue

Represents EEBO Partner revenue and NDLF Contributions received in the current year and designated for calendar year 2004.

COUNCIL ON LIBRARY AND INFORMATION RESOURCES

SCHEDULE OF FUNCTIONAL EXPENSES

For the Year Ended June 30, 2003  
(With summarized financial information for June 30, 2002)

	Economics of Information		Leadership		Preservation		Resources For Scholarship		Total Program Services		Admin.	Total 2003	Total 2002
	Digital Libraries	Information	Leadership	Preservation	Scholarship	Program Services	Admin.						
Grants & Contracts	\$ 670,102	\$ 1,979	\$ 1,084,896	\$ 180,804	\$ 150,400	\$ 2,088,181	\$ -	\$ -	\$ 2,088,181	\$ 903,963		\$ 2,088,181	\$ 903,963
Refunds	-	17,507	626,041	83,479	(22,000)	(22,000)	-	-	(22,000)	(7,880)		(22,000)	(7,880)
Meeting & Travel	270,285	-	10,040	603,417	24,159	1,021,471	14,305	14,305	1,035,776	557,051		1,035,776	557,051
Project Expenditures	1,568	-	2,808	6,525	-	615,025	53	53	615,078	414,612		615,078	414,612
Communications	9,735	-	223,970	754,836	145	19,213	9,883	9,883	29,096	188,072		29,096	188,072
Staff	503,507	-	26,404	26,439	16,852	1,499,165	239,768	239,768	1,738,933	1,536,975		1,738,933	1,536,975
Consultants	24,497	3,277	71,900	73,037	308	80,925	16,018	16,018	96,943	160,084		96,943	160,084
Program Support	132,051	4,459	-	-	11,013	292,460	242,818	242,818	535,278	332,555		535,278	332,555
Board Expense	-	-	-	-	-	-	28,296	28,296	28,296	18,426		28,296	18,426
TOTAL	\$ 1,611,745	\$ 27,222	\$ 2,046,059	\$ 1,728,537	\$ 180,877	\$ 5,594,440	\$ 551,141	\$ 551,141	\$ 6,145,581	\$ 4,103,858		\$ 6,145,581	\$ 4,103,858

COUNCIL ON LIBRARY AND INFORMATION RESOURCES  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 For the Year Ended June 30, 2003

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Number</u>	<u>Expenditures</u>
Library of Congress		
* Support for a National Plan and Library of Congress Digital Strategy (S-LC01025)	42.006	\$ <u>343,706</u>
Institute of Museum and Library Services		
National Leadership Grant (LL-80026-98)	45.312	\$ <u>54,939</u>
National Leadership Grant (LL-90060-99)	45.312	\$ <u>10,000</u>
National Leadership Grant (NR-10009-01)	45.312	\$ <u>19,555</u>

\* Denotes major program

## COUNCIL ON LIBRARY AND INFORMATION RESOURCES

## SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended June 30, 2003

## SUMMARY OF AUDITOR'S RESULTS

1. The auditor's report expresses an unqualified opinion on the financial statements of Council on Library and Information Resources.
2. There were no reportable conditions identified during the audit of the financial statements.
3. No instances of non-compliance material to the financial statements of Council on Library and Information Resources were disclosed during the audit.
4. There were no reportable conditions identified during the audit of internal control over major federal programs.
5. The auditor's report on compliance for the major federal award programs for Council on Library and Information Resources expresses an unqualified opinion on all major federal programs.
6. The programs tested as major programs included:  
*Support for a National Plan and Library of Congress Digital Strategy* CFDA No. 42.006
7. The threshold for distinguishing Types A and B programs was \$300,000.
8. Council on Library and Information Resources was not determined to be a low risk auditee.

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**REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON  
 AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH  
 GOVERNMENT AUDITING STANDARDS**

To the Board of Trustees  
 Council on Library and Information Resources  
 Washington, D.C.

We have audited the financial statements of Council on Library and Information Resources (a nonprofit organization) as of and for the year ended June 30, 2003 and have issued our report thereon dated August 28, 2003. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether Council on Library and Information Resources' financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Council on Library and Information Resources' internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended solely for the information and use of the audit committee, management, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Certified Public Accountants

August 28, 2003  
 Herndon, Virginia

Members American Institute of Certified Public Accountants



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**REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND ON  
 INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB  
 CIRCULAR A-133**

To the Board of Trustees  
 Council on Library and Information Resources  
 Washington, D.C.

Compliance

We have audited the compliance of Council on Library and Information Resources (a nonprofit organization) with the types of compliance requirements described in the "U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement" that are applicable to each of its major federal programs for the year ended June 30, 2003. Council on Library and Information Resources' major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of Council on Library and Information Resources' management. Our responsibility is to express an opinion on Council on Library and Information Resources' compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Council on Library and Information Resources' compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on Council on Library and Information Resources' compliance with those requirements.

In our opinion, Council on Library and Information Resources complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2003.

Internal Control Over Compliance

The management of Council on Library and Information Resources is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered Council on Library and Information Resources' internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

This report is intended solely for the information and use of the audit committee, management and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Certified Public Accountants

August 28, 2003  
Herndon, Virginia