



Illinois Board of Higher Education Illinois Community College Board

MEMORANDUM

TO: Members of the Illinois General Assembly

FROM: Judy Erwin, Executive Director, Illinois Board of Higher Education 
Geoffrey Obrzut, President and CEO, Illinois Community College Board 

DATE: March 31, 2008

RE: Report on Textbook Cost-Saving Measures in Response to SR 298

The Illinois Board of Higher Education and the Illinois Community College Board respectfully submit the enclosed report in response to Senate Resolution 298. Senate Resolution 298 directed that all public postsecondary institutions in Illinois enact cost-saving measures to address the rising cost of college textbooks and report on those measures to the IBHE and the ICCB. We are committed to addressing the State's concerns about college affordability and look forward to continuing to work with you on college textbook costs and other issues that impact affordability.

**A Report on Textbook Cost-Saving Measures Undertaken
by Illinois Public Higher Education Institutions
Pursuant to Senate Resolution 298**

**Illinois Board of Higher Education
Illinois Community College Board**

April 2008

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EXECUTIVE SUMMARY

The State of Illinois has long been committed to making higher education affordable. While the State's focus has traditionally been on tuition and fees and grant aid, the State has recently come to recognize the cost of textbooks as an affordability issue as well. In support of efforts to improve affordability, the Illinois Senate of the 95th General Assembly passed Senate Resolution 298 requiring that all public postsecondary institutions take action to reduce the costs of textbooks and report these actions to the Illinois Board of Higher Education (IBHE) or the Illinois Community College Board (ICCB). Institutions that offered a majority of their textbooks through a rental system were excluded from the provisions of the resolution¹.

A questionnaire was sent by the IBHE and the ICCB to all public colleges and universities requesting information on the cost-saving measures being implemented at their institutions. Institutions were also asked to provide specific information regarding measurable cost savings if available. All required public universities and a majority of community colleges responded to the survey.

Findings

- All respondents indicated that a textbook buy-back program was in place at their campus. Many of the respondents indicated that a robust buy-back program was the most effective tool in reducing overall costs to students, and that the timely submission of textbook orders by faculty was the key to the success of a buy-back program.
- Many institutions are taking steps to inform and educate faculty about how the choices they make during the adoption process impact the costs of textbooks. Communication about issues such as bundling, access codes, and minimum adoption commitments are taking place through advisory committees, newsletters, and e-mail.
- Custom-published texts and course materials show promise for controlling costs, but the price of a customized product can vary based on the authorship of the material and whether the item is produced on campus or by a publisher. As a result, students do not always save in the long run. E-books, on the other hand, reportedly have not been well-received; their success was reported in only a few cases.
- Students are taking an active role in addressing textbook costs on many campuses. Book swaps are taking place via online forums, designated bulletin boards, and organized gatherings on many campuses. The success of such swaps is not consistent, however, across all institutions.

¹ Institutions with rental programs include Eastern Illinois University, Southern Illinois University Edwardsville, Frontier Community College, Lake Land College, and Rend Lake College.

INTRODUCTION

The State of Illinois has long been committed to making higher education affordable. While the State's focus has traditionally been on tuition and fees and grant aid, recently the State has recently come to recognize the cost of textbooks as an affordability issue as well. Over the past four years the General Assembly, Governor, Lieutenant Governor, Illinois Board of Higher Education (IBHE), Illinois Community College Board (ICCB), IBHE Student Advisory Council, and nearly all of the state's public postsecondary institutions have been involved in discussions, surveys, and reports regarding the issue of textbook costs and cost-savings alternatives. Following the January 2007 IBHE study on the feasibility of textbook rental programs, which was mandated by Senate Resolution 692, the Illinois Senate adopted Senate Resolution 298 in 2007 requiring each public university and community college to undertake measures to reduce the costs of textbooks and to report those measures subsequently to the IBHE and the ICCB. Institutions that operate a textbook rental program were excluded from the resolution. This report provides a summary of those findings.

Methodology

As required by Senate Resolution 298, the IBHE and the ICCB surveyed all public postsecondary institutions to determine what measures have been undertaken by institutions, by faculty, and by students to reduce textbook costs and what outcomes have been achieved. A limitation of this study is that all data were collected from survey responses, but some responses did not provide a high level of detail. All required public universities (i.e., those without rental programs) and 75 percent of community colleges responded to the survey. The questionnaire can be found in Appendix B.

COST-SAVING INITIATIVES

Institutional Initiatives

Buy-Back Programs. All institutions reported the use of a textbook buy-back program. The submission of book orders in a timely manner by faculty is a key to the beneficial impact of these programs for two reasons. First, it allows the bookstore to provide the maximum reimbursement to students who sell back their textbooks. Second, it allows the bookstore to stock used copies to meet, or attempt to meet, student demand. A standard model followed by many stores is to price a used book at 75 percent of the new price. If the book will be used again, the student typically receives back 50 percent of the new price. If a student buys a used book and is able to sell it back, then the net cost to a student is typically 25 percent of the new textbook price tag. Many bookstores partner with a wholesaler so that books not being used on campus but still in use elsewhere can be bought back, although usually for less than the standard 50 percent.

Northern Illinois University reported that its students saved \$150,000 last year through selling back their books and purchasing used copies. Over a three-year period at the University of Illinois at Springfield, student savings from the purchase of used books

have increased from \$140,446 to \$184,142 while the amount of money paid back to students for the return of their textbooks has increased from \$104,772 to \$128,917. Western Illinois University students received \$385,600 for their books at the end of the fall 2007 semester.

William Rainey Harper College's buy-back program offers two unique characteristics. First, students who sell back their books have the option of receiving "Bonus Bucks" instead of cash. These Bonus Bucks are an in-store credit that can be used to purchase textbooks for the following semester, and the students receive a 4 percent bonus over the amount of the typical cash refund. Second, the bookstore identifies approximately 100 of the biggest selling titles each semester and places a 50 percent buy-back price guarantee on those titles. As noted, this 50 percent is the standard buy-back amount received by students at most campuses when the text is being reused, but the guarantee allows students to determine their net costs even if the instructor decides not to readopt the same textbook the following semester.

When a textbook is no longer being used on campus, its resale value either disappears or is greatly diminished. Therefore, several institutions and/or departments have asked faculty to commit to a textbook for a minimum number of years, typically two or three, instead of switching textbooks mid-cycle. A departmental textbook at Rock Valley College will be adopted for a two-year minimum, and exceptions to this policy require approval from the director. The faculty of William Rainey Harper College are encouraged to follow a five-year adoption cycle. Several respondents also indicated that an effort was made to use the same textbook in multi-semester sequential courses such as calculus, physics, and allied-health fields. Although textbooks in such courses often have the highest sticker prices, their cost is spread over two or three semesters.

Some institutions go to greater lengths to ensure faculty meet book submission deadlines. Faculty at the University of Illinois at Urbana/Champaign and Oakton Community College each receive discount coupons towards the purchase of general books from their respective bookstores as a bonus for submitting orders on time. The bookstore at the University of Illinois at Springfield publishes a newsletter for faculty and sends periodic e-mails with reminders about the importance of timely book orders and the cost savings they provide.

Faculty-Bookstore Cooperation. In addition to requesting timely submission of book orders, institutions are educating faculty about bundling and the effect it can have on pricing, both positive and negative. The University of Illinois at Urbana/Champaign, among many others, utilizes a textbook advisory committee for communications between faculty and the bookstore. In an effort to put a "face" with the problem, some stores solicited students to act as the messengers. The Student Government Association at Illinois State University sends letters to faculty about textbook cost issues. Elgin Community College has taken a proactive approach; bookstore personnel at Elgin participate in new faculty orientation. A unique practice at Chicago State University involves the bookstore contacting faculty who order textbooks that are priced outside a "reasonable" window.

Publishing Book Lists. Several institutions publish book lists in advance so that students have the opportunity to comparison shop at both off-campus and online vendors. Students receiving certain forms of financial aid do not have this option because the aid can only be applied to textbook purchases at the campus bookstore. The savings from off-campus and online vendors can vary greatly, but some examples include a new textbook being sold for \$65 online as compared to \$100 at the NEIU bookstore. Used books can provide even greater discounts, such as an accounting text bought used for \$9 online as compared to \$100 new at the NEIU bookstore. One drawback to referring students to sites such as Amazon and eBay, however, is that it is not uncommon for students to be able to purchase instructor's editions with solutions and test questions. The University of Illinois at Urbana/Champaign shares its book list with area vendors in an effort to competitively drive down prices.

Profit Margins. Western Illinois University and the University of Illinois at Chicago both reported that their markup on the sale of new textbooks was lower than the nationwide average, resulting in lower costs to the student and reduced profit margins. If a bookstore is operated by the institution, any profit that remains after covering the operating costs of the bookstore is typically spent on student services at the college or university. A reduction of the profit margin directly impacts the availability of student services on campus. Danville Area Community College attempts to limit its markup on textbooks and applies a higher markup to supplies and clothing instead. The bookstore at Joliet Junior College operates on a break-even basis so it is not under pressure to generate revenue. Even if the bookstore is operated by a private vendor, it is common for that vendor to return some of the profit to the institution to support student services or to provide scholarships. The table in Appendix A indicates which of the respondent campus bookstores are operated institutionally and which are operated by a private vendor.

Unique Initiatives. The University of Illinois at Chicago reported two practices they employ to guarantee students receive maximum value for their money. First, UIC has formed partnerships with vendors that provide for rebates and discounts on textbook orders placed by the bookstore, savings that are then passed on to students. Elgin Community College reports a similar type of partnership to help reduce costs. The second practice at UIC is a "cost-guarantee" policy for students. If a student finds a new textbook at a local competitor's store for less than the price paid at UIC's bookstore within a week after his/her purchase, the student receives double the difference and the UIC bookstore reduces its price to match that of the competitor. This guarantee does not apply to online vendors. Oakton Community College has two different financial aid programs for students that are specifically related to textbook costs. The Board of Student Affairs at Oakton established a textbook assistance program that contributes \$37,500 per year, and the Educational Foundation has a grant program specifically for textbooks that has collected \$4,200 since December of 2005.

Faculty Initiatives

E-books. Some faculty have tried e-books and others are considering trying them in the near future. It appears that e-books may provide some savings off the initial

purchase price of a textbook, but they often cost more in the long run since they cannot be resold. Also, many students prefer to have a hard copy of a text that is more portable and can be marked on with notes and highlights. Both the Chicago and Springfield campuses of the University of Illinois reported that e-books were just not popular with students. The campuses of the Illinois Eastern Community Colleges found that accessibility was an issue for students with limited access to a compatible computer and/or internet service. Danville Area Community College suggests that printing off pages may be cost-prohibitive. When students in a political science course at Southwestern Illinois College were offered the choice between a regular textbook and an e-book, less than 10 percent of the students chose the e-book. Another drawback to e-books is that access is restricted to a certain timeframe, typically one or two semesters. This is problematic for courses within a student's major or for fields that require licensure examinations.

Custom-Published Texts/Materials. Custom-published books and materials show great potential but have limitations as well. Whether custom-published materials provide a cost-savings to the student or not depends on several variables. Many institutions found that they reduced costs, while others found that students ended up paying more for their use. Variables include whether the materials are published in-house or by an external publisher, whether the materials were authored on campus or under copyright, whether royalties from the sale of the material were being paid and to how many entities, and the actual cost of the production (e.g. color versus black and white).

Some schools reported that a custom-published book provided savings because it could be used for several years regardless of whether a publisher produced new editions of similar textbooks. Lincoln Land Community College has done this with some biology and math textbooks. A custom-published book that incorporates material from several different books might also be cheaper for the student than purchasing the original works. Elgin Community College was able to reduce the cost of one customized text by \$47 by eliminating unwanted content. However, other schools reported that custom texts cost the student more money because they had limited or no resale value and because students couldn't comparison shop online due to the limited availability of the customized materials.

Reserves. Some faculty are utilizing the reserve function of their campus library to provide access to course materials for free to their students. How these books are acquired varies from one course to another. A student group at Rock Valley College purchased some textbooks and made them available for rental at the campus library. Joliet Junior College instituted a formal plan for placing materials on reserve but has yet to receive books from several departments. One faculty member at Oakton Community College indicated that he used some of his share of department funds to purchase texts to be placed on reserve. In some cases, faculty can also provide the material online. This allows the student to access the readings outside of the physical location of the library as well. However, copyright and fair-use guidelines can restrict the ability of faculty to provide such access.

Student-led Initiatives

Book Swaps. The selling and/or trading of used textbooks among students is a popular activity on many campuses. In some cases these efforts are organized by the student government association, while others are more informally conducted through the use of designated bulletin boards. In a few cases, these deals are conducted through online sites that are either locally established, such as the Illini Book Exchange (www.illinibookexchange.com) at UIUC, or connected to a nationwide site such as Campus Book Swap (www.campusbookswap.org), as is the case at Joliet Junior College. Students at Prairie State College meet on a designated day for a student-organized book swap in addition to utilizing bulletin boards. At John A. Logan College, the contract with a privately operated campus bookstores prohibits college supported involvement of student-led textbook initiatives, but students have engaged in the sale of used textbooks using word of mouth. In some cases, book swaps are not successful due to low participation – a problem cited by Northern Illinois University.

Appendix A summarizes the policies that are either currently being used by respondent institutions or have been tried in the past to reduce textbook costs.

CONCLUSION

In response to growing concerns over college affordability and the high cost of college textbooks, Senate Resolution 298 directed each public university and community college to undertake measures to reduce the cost of textbooks to students. It is clear from this report that many administrators, faculty, and students are both aware of the impact of textbook prices on affordability and are taking steps to address this issue. As this report concludes, the primary practices identified to reduce the cost of textbooks are:

- Instituting textbook buy-back programs;
- Placing textbooks on reserve in campus libraries or departments;
- Utilizing custom published materials;
- Offering the option of e-books;
- Selling or trading textbooks through student book swaps; and
- Publishing textbook lists in advance.

All respondents indicated that a buy-back program was in place on their campus, and many stressed that a robust buy-back program was the most effective tool in helping students lower their overall costs. They also indicated that the submission of faculty textbook orders in a timely manner was integral to a successful program to ensure an adequate supply of used books and that top dollar could be paid to students for the resale of their texts.

Custom-published materials were widely used by institutions and found to be successful in many cases, but also had limitations arising from the production and content of the product. Although e-books have been found to be successful in a few cases, most institutions reported unfavorable experiences with them. Nevertheless, faculty continue

to explore the possibilities of both e-books and custom published materials to reduce costs while maintaining the necessary levels of academic integrity their courses demand.

Students have also played an important role in addressing the rising cost of textbooks. Student government associations at many institutions work with faculty and bookstore management to keep an open line of dialogue about the issue and steps that can be taken to address it. Such organizations, or even smaller groups of students who are not members of a formal organization, also work to coordinate book swaps on many campuses so students can receive the maximum value for their textbook purchases.

Several institutions publish book lists in advance so that students have the opportunity to comparison shop at both off-campus and online vendors. The savings from off-campus and online vendors vary greatly but can be significant, especially for used texts. However, students receiving certain forms of financial aid do not have this option because the aid can only be applied to textbook purchases at the campus bookstore. Another drawback to referring students to online sites is that it is not uncommon for students to be able to purchase instructors' editions with solutions and test questions.

While public universities and community colleges have instituted several practices to address college textbook costs, it remains unclear how effective and widespread these practices have been at addressing bundling, publication of new editions, and textbook adoption practices. The IBHE's 2006 report to the General Assembly, *A Report on the Feasibility of Textbook Rental Programs and Other Textbook Cost-Savings Alternatives in Illinois Public Higher Education*, found that among the most important factors affecting textbook price increase are:

- Bundling -- the practice of packaging supplemental course materials with textbooks for a single price;
- Publication of new editions -- publication of new editions with short life cycles; and
- Textbook adoption practices -- the timing of textbook selection by faculty often determines whether bookstores have adequate supplies of used texts for students.

As public universities and community colleges move forward with practices to address textbook costs, communication with faculty, bookstores, and students remains a key to effectively addressing factors affecting textbook prices. Besides emphasizing the need for timely submission of book orders, textbook advisory committees, newsletters, and e-mails can be used to educate faculty about textbook choices that affect pricing, including bundling and the adoption of new editions. Additionally, greater communication can be used to educate students to make wise decisions regarding textbook purchases, and published book lists can provide information necessary to comparison shop. Communication can also increase participation in and success of book swaps.

APPENDIX A

Practices and Management Identified in Institutional Responses to Questionnaire	Buy-Back Program	Reserves	Custom Publish	E-Books	Book Swaps	Publish Book List	Management of Bookstore
Chicago State University	X	X	X	X	X	X	Private Vendor
Governors State University	X	X	X	X			Private Vendor
Illinois State University	X	X	X			X	Private Vendor
Northeastern Illinois University	X	X	X	X	X	X	Private Vendor
Northern Illinois University	X	X	X	X	X		Institution
Southern Illinois University Carbondale	X	X	X				Private Vendor
University of Illinois Chicago	X		X	X			Institution
University of Illinois Springfield	X	X	X	X			Private Vendor
University of Illinois Urbana/Champaign	X		X	X	X	X	Institution
Western Illinois University	X		X				Institution
Black Hawk College	X		X				Institution
City Colleges of Chicago	X				X		Private Vendor
College of DuPage	X		X	X	X		Private Vendor
Danville Area Community College	X	X	X	X			Institution
Elgin Community College	X			X			Institution
Harper College, William Rainey	X		X	X		X	Institution
Highland Community College	X		X			X	Institution
Illinois Eastern Community Colleges	X	X	X				Institution
John A. Logan College	X	X	X		X	X	Private Vendor
Joliet Junior College	X	X	X	X	X	X	Institution
Kankakee Community College	X	X	X				Institution
Kaskaskia College	X		X	X			Institution
Kishwaukee College	X		X				Institution
Lincoln Land Community College	X		X			X	Institution
Moraine Valley Community College	X	X	X	X	X	X	Institution
Morton College	X		X				Institution
Oakton Community College	X	X	X	X			Institution
Parkland College	X	X	X			X	Institution
Prairie State College	X		X		X	X	Private Vendor
Rend Lake College	X			X			Institution
Richland Community College	X	X	X		X	X	Private Vendor
Rock Valley College	X		X	X			Private Vendor
Sandburg College, Carl	X		X	X			Private Vendor
Sauk Valley Community College	X	X					Private Vendor
Southwestern Illinois College	X	X	X	X		X	Private Vendor
Spoon River College	X		X	X			Institution
Triton College	X	X		X			Private Vendor
Waubensee Community College	X		X	X			Institution

APPENDIX B

TEXTBOOK COST-SAVING MEASURES QUESTIONNAIRE

Campus:

Contact Name and Position:

Contact Phone:

Contact E-Mail:

Please describe, in detail, any of the following activities that are being used on your campus to reduce the cost of textbooks. Please provide specific examples and any known figures in your response. Feel free to use additional pages as needed.

What, if any, institutional practices are being used to reduce the cost of textbooks?

What, if any, measurable savings have students experienced as a result?

What, if any, faculty-led initiatives are being used to reduce the cost of textbooks?

What, if any, student-led initiatives are being used to reduce the cost of textbooks?

If faculty have tried alternatives such as e-books or custom published texts, what have been the results of such efforts?

Is your campus bookstore operated by the institution or by a private vendor?

How has this affected efforts to reduce textbook costs?

APPENDIX C

SR0298

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SENATE RESOLUTION NO. 298

1

2 WHEREAS, Postsecondary education is increasingly necessary
3 for success in the modern workforce; and

4 WHEREAS, Affordability of college is an ongoing concern for
5 students, families, and State policymakers; and

6 WHEREAS, The cost of textbooks is a substantial and
7 escalating burden for students; and

8 WHEREAS, Other states have undertaken measures to curtail
9 the rising expense of textbook purchases; and

10 WHEREAS, The Senate of the 94th General Assembly passed
11 Senate Resolution 692, directing the Board of Higher Education
12 to study the feasibility of textbook rental programs and other
13 cost-saving measures to lower the cost of textbooks to
14 students; and

15 WHEREAS, The Board of Higher Education conducted a
16 comprehensive study, which included surveys of institutions of
17 higher learning, private and campus bookstore owners and
18 operators, publishers, faculty, and students; and

19 WHEREAS, The Board of Higher Education issued a report of

1 its findings and a list of options for reducing textbook costs
2 that could be considered by the State, college and university
3 campuses, faculty, bookstores, and publishers; and

4 WHEREAS, Many of the options identified in the Board of
5 Higher Education's report were incorporated in a package of
6 bills, Senate Bills 325, 326, and 327, that passed unanimously
7 out of the Senate of the 95th General Assembly; and

8 WHEREAS, Senate Bills 325, 326, and 327 have not received a
9 hearing in the House of Representatives of the 95th General
10 Assembly; therefore, be it

11 RESOLVED, BY THE SENATE OF THE NINETY-FIFTH GENERAL
12 ASSEMBLY OF THE STATE OF ILLINOIS, that each public university
13 and community college shall undertake measures to reduce the
14 cost of textbooks to students, based on, but not limited to,
15 cost-saving measures contained in "A Report on the Feasibility
16 of Textbook Rental Programs and Other Textbook Cost-Saving
17 Alternatives in Illinois Public Higher Education", released in
18 January 2007; and be it further

19 RESOLVED, That each campus may consider such measures as
20 enhanced book buy-back programs, book swaps, reserves, and
21 e-reserves of required textbooks, adherence to deadlines for
22 adoption of textbooks, disclosure to faculty and students of

1 relevant information for the purchase of required textbooks and
2 course materials, and creation of textbook advisory committees
3 to recommend policies concerning adoption of new editions and
4 unbundling of textbooks and supplementary course materials and
5 to assist faculty in adoption of least-cost materials when
6 appropriate; and be it further

7 RESOLVED, That public universities and community colleges
8 where the majority of students receive required textbooks and
9 course materials through a textbook rental program are exempt
10 from the directives of this resolution; and be it further

11 RESOLVED, That each public university shall report to the
12 Board of Higher Education and each public community college
13 shall report to the Illinois Community College Board on the
14 cost saving measures they have implemented to reduce textbook
15 expenses for students on or before March 1, 2008; and be it
16 further

17 RESOLVED, That the Board of Higher Education and the
18 Illinois Community College Board shall jointly report to the
19 chairpersons of the Senate Appropriations III committee, the
20 Senate Higher Education committee, the House
21 Appropriations-Higher Education committee, and the House
22 Higher Education committee on or before April 1, 2008 on the
23 findings and conclusions regarding campus efforts to reduce

1 textbook costs to students, along with any recommendations for
2 further action; and be it further

3 RESOLVED, That suitable copies of this resolution be
4 delivered to the chairperson of the Board of Higher Education,
5 the chairperson of the Illinois Community College Board, and
6 the president of each public university and community college
7 in this State.