

LIBRARY SYSTEM MISSION/ROLES: Public Library Systems (cont.)

The remainder of the costs are for computer facilities that are not allocated to services. This comes to \$4.3 million (12.3%).

3.2.2 Central Libraries

Laws and Regulations

Each Public Library System must have a 10-year plan for further development of its Central Library approved by the Commissioner for Education. The Public Library System's plan of service must designate one or two Central Libraries.

The Central Library is designated as the "resource" library for the Public Library System and receives funds (Central Book Aid) to develop and add to its collection of adult non-fiction or foreign language materials. The purpose of such collection development is:

- "1. to support systemwide needs for adult non-fiction or foreign language materials.
2. to make such materials available to System area residents through adequate hours of service, facilities and staff.
3. to provide a unified means for locating the total holdings of the Central Library.
4. to provide information service and bibliographical assistance to residents of the System service area."

Central Libraries also receive Central Library Development Aid which may be used for a variety of expenditures for developing Central Library services (see Section 6.7).

Standards for Central Libraries are specified in the Law and Regulations as follows:

MISSION/ROLES: Central Libraries (cont.)

- "local expenditures excluding capital expenditures for support of the CL from other than State and Federal funds must not be less than \$3 per capita,
- the CL must provide an annual average of at least 55 hours per week of service, and not less than the minimum weekly hours required for registration of public, free association and Indian libraries:

<u>Population</u>	<u>Minimum Weekly Hours</u>
<500	6
500 - 2,499	12
2,500 - 4,999	18
5,000 - 24,999	30
25,000 - 99,999	45
>100,000	60

- the CL must provide for at least two full-time professional positions financed from other than Federal funds."

Current Role

The bulk of Central Library (CL) services involves interlibrary lending and borrowing, access to materials by "local" and "non-local" patrons, and reference, referral and research services. Details of the numbers of Central Libraries providing specific services and quantity and cost of services are provided in Appendix C.

Note that only 16 of 23 Central Libraries responded to the survey. The values of quantities and costs for the non-respondents are imputed and, therefore, the results displayed below represent all 23 Central Libraries. We generally consider the CL survey data to be "softer" than results reported from other surveys, based on respondent expressions of their inability to provide exact data. With this caveat in mind, the estimated CL costs associated with the four principal services above are:

- Interlibrary lending and borrowing: \$1.4 million
- Access to materials by "local" and "non-local" patrons: \$2.3 million
- Access to other shared collections: \$1.4 million
- Reference, referral and research: \$1.5 million

MISSION/ROLES: Central Libraries (cont.)

In addition, the Central Libraries report costs (1) of other reported services, (2) to operate computer and other facilities, (3) to administer (CBA) grants and (4) to assist in member library participation in System. These costs are estimated to be \$267,00; \$482,000; \$30,000; and \$41,000 respectively. The total costs to Central Libraries for providing Library System services are estimated to be \$7.4 million. Again, we caution that these data are considered "soft." (See Section 6.7 for further discussion.)

3.2.3 Reference and Research Library Resources Systems

Laws and Regulations

The establishment of RRLRS was authorized by Education Law at the end of 1978, although chartering took place between 1964 and 1967. The RRLRS are chartered educational institutions resulting from the association of a group of institutions of higher education, libraries, non-profit educational institutions, hospitals and other institutions. The area served by an RRLRS should be:

- "1. No less than 750,000 persons, or
2. No less than 10,000 square miles."

Furthermore, the defined area of service shall:

- "1. include more than one county, and
2. respect the integrity of the area of service of a Public Library System, and
3. constitute a service area effectively related to the availability of information resources and services and to the area of service of other RRLRS, as determined by the Commissioner of Education."

The mission of these systems is:

"to improve reference and research library resources service."

SLS RELATIONSHIP WITH BOCES AND BIG CITY SCHOOL DISTRICTS (cont.)

Much of the problem with SLS and BOCES (or Big City School Districts) revolves around budgets. Currently, 5 percent of budgets are passed on to BOCES, although not in all instances.

Recommendation G7

SLS should be given fiscal responsibility for their budgets. SLS funds should be dedicated for school library services.

Recommendation G8

SLS staff should not be required to do BOCES related work except under contract to be approved by DLD.

5.5 CENTRAL LIBRARY RELATIONSHIP WITH PUBLIC LIBRARY SYSTEMS

The interviews, open meetings and surveys all highlighted the need to clarify the role of Central Libraries and their relationship with Public Library Systems. We believe that interlibrary loan request processing and reference, referral and research services should be the responsibility of Public Library Systems. However, in many instances economies of scale can best be achieved for these services if they are provided by Central Libraries. If the service(s) are provided by Central Libraries they should be done so under formal arrangement with the PLS. As such, the Central Library directors are responsible, under the arrangement, to the PLS as one would be under contract or grant.

Recommendation G9

Interlibrary loan request processing and reference, referral and research services provided to public libraries and their patrons should be the responsibility of Public Library Systems. PLS should arrange with Central Libraries to provide these services, if cost effective to do so. Central Library directors should report to PLS directors regarding provision of these services.

FUNDING SCHOOL LIBRARY SYSTEMS (SLS) (cont.)

We believe that more School Library System services should be provided to school libraries in the future and funding levels should reflect increased services (see Recommendation F2). In particular, when the union lists and other ILL support mechanisms are fully utilized it is likely that there will be substantially more interlibrary loan and reference and referral activity. Also school libraries and media centers are typically small. Thus, they are subject to considerable savings through economies of scale for most operational functions. We believe the State would save millions of dollars if at least some operational functions were to be provided or facilitated by SLS. We do not know whether providing such services would yield sufficient activities for all SLS to achieve economies of scale. If not some SLS should arrange to combine such services across SLS or to contract with PLS or some other appropriate organization.

It appears to us that there needs to be more referral, by SLS to PLS and RRLRS, of both interlibrary borrowing requests and difficult reference requests. This should reduce the cost per transaction and free up some SLS directors' time for more personalized services such as consulting, continuing education and communication. Furthermore, SLS should consider delegating some of the production-like activities such as the remaining retrospective conversion and union list production to other systems. If such services are referred or delegated to PLS, RRLRS or other organizations, the SLS should arrange to do so under formal agreement. In any circumstances the SLS need to know their costs to make informed judgements concerning where the work should be done and for how much.

6.7 CENTRAL LIBRARY FUNDING

6.7.1 Amount of Central Library Funding

The funds received by Central Libraries include:

Central Library Development Aid (CLDA)	\$2,996,032
Central Book Aid (CBA)	\$1,212,200

CENTRAL LIBRARY FUNDING (cont.)

These funds do not include funds to Consolidated Systems. Costs of providing Central Libraries services and other services are estimated to be \$7.0 million based on data reported on the Central Library survey.

Below we provide estimates of quantities of services and cost of services provided by CL. These estimates are based on data provided from the CL survey in which 16 of 23 Central and Co-Central Libraries responded (not including the three Consolidated Systems). As expressed in Section 3, we are concerned about the "softness" of these data, but present them to demonstrate a quantitative way to address issues concerning Central Book Aid and costs of providing services to member libraries.

The role of the Central Library is different from that of the Public Library System in that CL's serve their own patrons as well as patrons of other member libraries either directly, as requests through the member library or through the PLS. Below we describe the services from the standpoint of "local" patrons versus the patrons that do not live in the CL local community. The extent to which CL local community patrons and patrons not in local community are served is given below.

6.7.2 Extent to Which "Local" and "Non-Local" Patrons Are Served by Central Libraries

Apparently a substantial amount of activity in Central Libraries involves patrons who do not live in the local community (see Table 6.19). For example, an estimated 22 percent of all patrons are non-local patrons. Non-local patrons visit the CLs about 1.8 times per year (compared with 3.2 visits per year for "local" patrons). The number of visits of non-local patrons seems high since these patrons are estimated to live an average of 17 miles away from the CLs. Rough estimates of the distribution of distance of non-local patrons to the CL is as follows:

	<u>Proportion of Patrons</u>
Less than 10 miles	61%
10-24 miles	30%
25-49 miles	8%
50-100 miles	1%
Over 100 miles	0.4%

CENTRAL LIBRARY FUNDING (cont.)

Members of the Advisory Committee report that this distribution is similar to those of public libraries in New York State.

Table 6.19

NUMBER OF LOCAL AND NON-LOCAL PATRONS SERVED BY CENTRAL LIBRARIES BY TYPES OF SERVICES IN NEW YORK STATE: 1988

Type of Service	Type of Patron Served		
	Local Community Patrons	Patrons Not in Local Community	Total of All Patrons
No. of registered patrons (11,9)	1,485,000	420,000	1,905,000
No. of visits (10,9)	4,800,000	755,000	5,555,000
Circulation (CBA) (11,8)	1,219,000	1,054,000	2,273,000
Circulation ("local" collection) (11,8)	4,121,000	1,886,000	6,007,000
ILL items borrowed (16,6)	191,000	65,000	256,000
Manual searching of printed pubs. (12,8)	315,000	252,000	567,000
Online bibliographic searching (9,6)	70,000	26,000	96,000
Online other database searching (6,4)	900	1,600	2,500
Referral searching services (5,3)	5,600	8,800	14,400
Research analysis (3,1)	3,000	60	3,060

SOURCE: King Research, Inc. Central Library Survey (N = 23; n = 16)
 Numbers in parentheses indicate no. of CLs (of 16) that responded for each type of service. First number is total and second number is local and non-local.

Nearly one-half (46%) of the circulation of the CBA collection is to non-local patrons and 31 percent of the use of the "local" collection is by these non-local patrons. About one-fourth of the ILL items borrowed by CL for patrons are for non-local patrons. Similar results as those above are observed for different types of reference, referral and research requests.

CENTRAL LIBRARY FUNDING: "Local"/"Non-Local" Patrons Service (cont.)

We find that the proportions of acquisitions and total collections purchased with CBA are less than estimates of the relative circulation of these collections. Estimates of acquisitions and collection sizes are given for books and monographs and journals and periodicals below:

Table 6.20

ESTIMATED NUMBER OF ACQUISITIONS AND TOTAL COLLECTION SIZE
OF CENTRAL LIBRARIES BY TYPE OF MATERIAL AND BY
CBA AND NON-CBA SOURCE IN NEW YORK STATE: 1988

Type of Material	Acquisitions		Total Collection	
	CBA	Non-CBA	CBA	Non-CBA
Books & Monographs (vols)	52,600	246,000	1,073,000	4,596,000
Journals & Periodicals (titles)	2,500	13,400		

SOURCE: King Research, Inc. Central Library Survey (N = 23; n = 16)

CBA acquisitions account for about 18 percent of all book and monograph acquisitions and 16 percent of journal and periodicals acquisitions.

There are two types of beneficiaries of the CBA and "local" collections. First of all local patrons benefit by having the CBA collection available to them. We estimate from the CL survey that they do indeed benefit in that about 1.2 million CBA items are circulated to them. In fact, 23 percent of circulation to local community patrons involve books purchased by CBA funded collections (although CBA collections account for 19% of all items). The non-local patrons also are circulated an estimated 1.9 million items from "local" collections. Thus, non-local patrons appear to benefit more (from "local" collections) than local patrons benefit from CBA collections. This does not include in-house use of reference books, however. The cost of CBA-related activities (see Table 6.21 for list of

CENTRAL LIBRARY FUNDING: "Local"/"Non-Local" Patrons Service (cont.)

activities) is estimated to be about \$2.3 million (not including book purchases). Thus, the costs of CBA-related activities are nearly double the cost of purchasing the books (\$1.2 million).

6.7.3 Arguments For and Against the Concept of Central Libraries

The basic concept of Central Libraries (expressed in Emerging Library Systems) is that there need to be central sources of strong collections of adult non-fiction, foreign language and reference materials located throughout the State. These collections would provide equity of access to materials as best possible considering the trade-off of distance required by patrons who do not reside in the CL local areas versus the need for strong, unified collections. A counter argument is that there can be large and strong collections in areas, but the collections need not reside within one (or even two) Central Libraries; the argument being that one can relatively easily gain access to all of the collections through interlibrary loan which is currently substantially enhanced by union listings of holdings and area-wide delivery services provided by PLS. A brief listing of arguments for and against the Central Library concept are given below:

Arguments for:

- The value of a strong collection is enhanced by its being found in one location. Thus, a patron can go to one place and obtain any and all documents that are needed.
- A strong, central source increases reference, referral and research capabilities in an area.
- Overall amount of interlibrary lending in an area will be decreased, if the entire collection is located near a population center.
- Because of economies of scale, having centralized interlibrary lending will reduce average and total costs of this function.

CENTRAL LIBRARY FUNDING: Arguments For/Against the Concept of CL (cont.)

Arguments against:

- It is unfair to non-CL communities to not directly share in CBA funds.
- If the collection is properly shared among libraries in an area, amount of ILL will reduce because patrons will be able to obtain what they need in their "local" collection. (This assumes that more than a single item will satisfy a specific information need.)
- It is less "expensive" for some patrons to have "local" collections than for them to visit a CL.

In order to understand all of the implications of the Central Library issue one must know the economic implications as well. The problem is that, in addition to the cost of the price paid for CBA materials, there are many operational costs associated with:

- collection development,
- acquisitions and ordering control,
- mail processing and receipt processing,
- cataloging,
- catalog maintenance,
- physical processing (property stamps, spine labels, etc.),
- circulation and circulation control,
- costs associated with in-house use of the collection such as shelving and reshelving,
- shelves and space, and
- collection management (withdrawal, binding, etc.).

In the CL survey we asked for data concerning the costs of these activities associated with their Central Library status. Estimates of these costs are as follows:

Table 6.21

ESTIMATED COSTS TO CENTRAL LIBRARIES BY TYPE OF
ACTIVITY AND BY TYPE OF COST IN NEW YORK STATE: 1988

Type of Activity	Only Labor Salaries and Wages (\$)	Other Variable (e.g., purchase of materials, photocopying, etc.) (\$)	Fixed (e.g., OCLC fee, allocated space, shelves, etc.) (\$)	Total (\$)
Collection development (11)	\$168,000	\$3,500	\$1,800	\$173,300
Collection management (withdrawal, binding, etc.) (13)	\$129,000	\$4,400	\$3,500	\$136,900
Direct access by non-local patrons (circulation and reference) (9)	\$1,119,000	\$154,000	\$30,000	\$1,303,000
Shelving and re-shelving (incl. return to shelves, shelves themselves, and space) (5)	\$192,000	\$700	\$8,300	\$201,000
Acquisitions and ordering control (12)	\$173,000	\$59,800	\$2,300	\$235,100
Mail processing and receipt processing (5)	\$23,900	\$300		\$24,200
Cataloging (7)	\$32,700	\$1,300	\$1,900	\$35,900
Catalog maintenance (9)	\$69,900	\$1,500	\$1,900	\$73,300
Physical processing (property stamps, spine labels, etc.) (7)	\$57,500	\$1,200	\$2,800	\$61,500
Other (3)	\$11,500	\$5,600	\$300	\$17,400
Total	\$1,976,500	\$232,300	\$52,800	\$2,261,600

SOURCE: King Research, Inc. Central Library Survey (N = 23; n = 16)
Nos. in parentheses indicate no. of CLs (of 16) that reported any costs of activities.

CENTRAL LIBRARY FUNDING: Arguments For/Against the Concept of CL (cont.)

Note that the total cost of these activities (\$2.3 million) compares with the \$1.2 million cost of purchasing CBA materials and CLDA funds of \$3.0 million. Also, many of the technical processing costs are borne by PLS. While the estimated costs appear high, they are not extremely so.

The costs of these activities have significant implications to the Central Libraries as well as to other libraries whose patrons are served by CL. These implications are summarized as follows:

Implications to Central Libraries and Their Patrons

Central Libraries benefit from CBA and CLDA in the following two ways:

- (1) CL local patrons receive services that they might not otherwise receive:

CBA materials that are used in-house and circulated (1.2 million items circulated)

items borrowed on interlibrary loan (191,000 items)

- reference, referral and research services (315,000 manual searches; 70,000 online bibliographic searches; 900 other database searches; 5,600 referral searches; and 3,000 research analyses).

The cost of these services directly borne by the Public Library System is estimated to be about \$3.5 million.

- (2) The CLs gain some by achieving economies of scale for some services provided to their "local" patrons. The amount of these savings is not known.

Thus, in effect the CLs and their library community gain at least \$3.5 million in patron service by serving as Central Libraries. Furthermore, the CL are allocated \$4.2 million in CBA and CLDA to serve non-local patrons as well as their own patrons. Thus, they benefit by about \$7.7 million.

CENTRAL LIBRARY FUNDING: Arguments For/Against the Concept of CL (cont.)

On the other hand, the Central Libraries pay a "price" in that their \$7.4 million of "real" costs of providing Library System services (see Tables 6.2 through 6.11 and 6.21) appear to be higher (perhaps as much as \$3.2 million) than they are paid (i.e., \$4.2 million). (Note that some Advisory Committee members have questioned the validity of the Central Library costs, particularly those presented in Tables 6.2 through 6.11).

On balance, assuming validity of the cost and other data one would conclude that the dollar advantages and disadvantages are similar; certainly in the same order of magnitude (at least \$7.7 million in benefits vs. \$7.4 million in costs).

Implications to Other Libraries in the Area

Other libraries in the area (whose patrons are served by CL), benefit by not bearing the costs of providing the services now being provided by CL. These costs are roughly estimated by us in proportion of non-local patron use involving the following Central Library activities:

● Collection development	\$31,000
● Collection management	26,000
● Direct access	699,000
● Shelving and reshelving	109,000
● Acquisitions and ordering	40,000
● Mail processing and receipt processing	4,000
● Reference, referral and research	<u>769,000</u>
Total	\$1,678,000

Thus, by having Central Libraries serve their patrons, the other (non-CL) libraries may benefit by as much as \$1.7 million in saving the costs borne by Central Libraries in serving the non-CL patrons. On the other hand, the other libraries may lose some support from patrons because they do not meet all the needs of their patrons.

CENTRAL LIBRARY FUNDING: Arguments For/Against the Concept of CL (cont.)

On the other hand, these libraries do not receive funds (CBA, CLDA) which might be allocated to them, their patrons lose "local" access, and the libraries incur costs due to referral to the CL and interlibrary borrowing.

6.8 FUNDING FORMULAS

We examined several factors in the funding formulas to determine if they make sense from the standpoint of whether or not they affect total costs of services, whether they are generally in the right proportion, and whether they should be equally applied. The factors that we looked at were: population served, size of geographic area served, density of population served (i.e., numbers of persons per square mile), sizes of libraries served, and numbers of member libraries served. The factors would appear to be related to certain types of services. For example, generally one would expect:

- Size of population to affect interlibrary lending and borrowing; retrospective conversion; pool collections; circulation control, acquisitions, cooperative purchasing, cataloging, catalog production, physical processing, materials examination; reference, referral and research; and direct services to users.
- Amount of geographic area to affect services for delivery, bookmobiles, and communication.
- Number of members to affect union list production, rotating collections, collection development, conservation/preservation, recordkeeping, public relations, consulting, continuing education, and grant support, cooperative collection development, direct access to members and member library participation.
- Density to affect operational support for libraries and other operational support.
- Size of libraries served to affect operational support for libraries and other library support.

From analysis, it appears that the most appropriate factors are population, area and members.

SUMMARY OF FINDINGS - (cont.)

7.1.3 Central Library Measurement

Central Libraries also have a reporting responsibility for Library System services provided by them. Central Libraries should report appropriate revenues, costs by resources and by services, and quantities of services provided including circulation, in-house use, walk-in reference, referral and research patrons (by where they reside). Patron data can be collected by means of in-library or exit surveys.

Recommendation M5

Central Libraries should report input and output statistics annually to the responsible PLS director, who in turn, will report appropriate data to DLD.

7.1.4 Division of Library Development (DLD) Processing and Distribution of Results

DLD currently collects data and provides feedback to the library community through published reports and tables. There is some burden placed on the Systems in their annual reporting to the State, although the study shows that Library Systems spend only about 1.5 percent of their operating budgets in reporting to the State. Not all statistics reported are analyzed, or even published. The statistics tend to be published in a fairly raw form without much analysis (e.g., trend analysis, quartile analysis for average cost and average satisfaction ratings, and other derived indicators). The published statistics also need to be produced in a more timely manner.

Recommendation M6

Financial and statistical reports required by DLD should ask only for data that are needed and used. DLD should review data collection requirements and make them compatible among types of Library Systems.

Recommendation M7

Published statistical reports should include a thorough analysis, (e.g., trend analysis) and should be published and distributed in a timely manner. Average cost data and average satisfaction ratings should be provided by quartiles for use by Library Systems.