

# eliminating late fines

**WELCOME BACK TO YOUR LIBRARY**



## recommendation

Based on research and local data, and in support of enhanced access to information and learning opportunities for all community members, Libraries Administration recommends that the Sarasota County Board of County Commissioners eliminate the imposition and collection of overdue fines for late return of materials. The libraries' policy of billing and collecting fees for lost, damaged and unreturned items will continue; if items are not returned or replacement costs are not paid, borrowing privileges will be suspended until the patron account is rectified.

## historical lens

For decades, library leaders throughout the United States have developed practices and adopted policies to increase access to services and to decrease barriers ~ especially for those who have difficulty using library services, including the most vulnerable among community members.

At the same time, library fines have traditionally been viewed as a means to motivate borrowers to return items on time, so others may borrow them. In recent years, the effectiveness of that motivation has been challenged, as studies indicate that even modest monetary penalties more often lead to people simply quitting the library, stopping their visits, never to return. In reality, fines have been shown to act as an inequitable barrier to service, disproportionately impacting children and community members with the least financial resources.

Beginning in 2014, a trend has emerged to eliminate fines imposed on the late return of borrowed library materials. The rapidly accelerating rate of this trend is graphically illustrated on the Urban Libraries Council website, featuring an interactive, Fine Free Library Map (<https://www.urbanlibraries.org/member-resources/fine-free-map>) showing the communities in which fines were eliminated. The Map is updated *daily*.

## process improvement team ~ the charge

In 2018, an interdisciplinary Process Improvement Team (PIT) comprised of individuals from Libraries, Ethics and Compliance, and the Office of Financial Management researched the factors relevant to the collection of late-return fines. The team conducted surveys of peer libraries, analyzed reports, reviewed news articles and tracked and evaluated national and local statistics, for the purpose of preparing a recommendation to County Administration.

## the background

The Sarasota County Libraries currently impose late-return fines as follows:

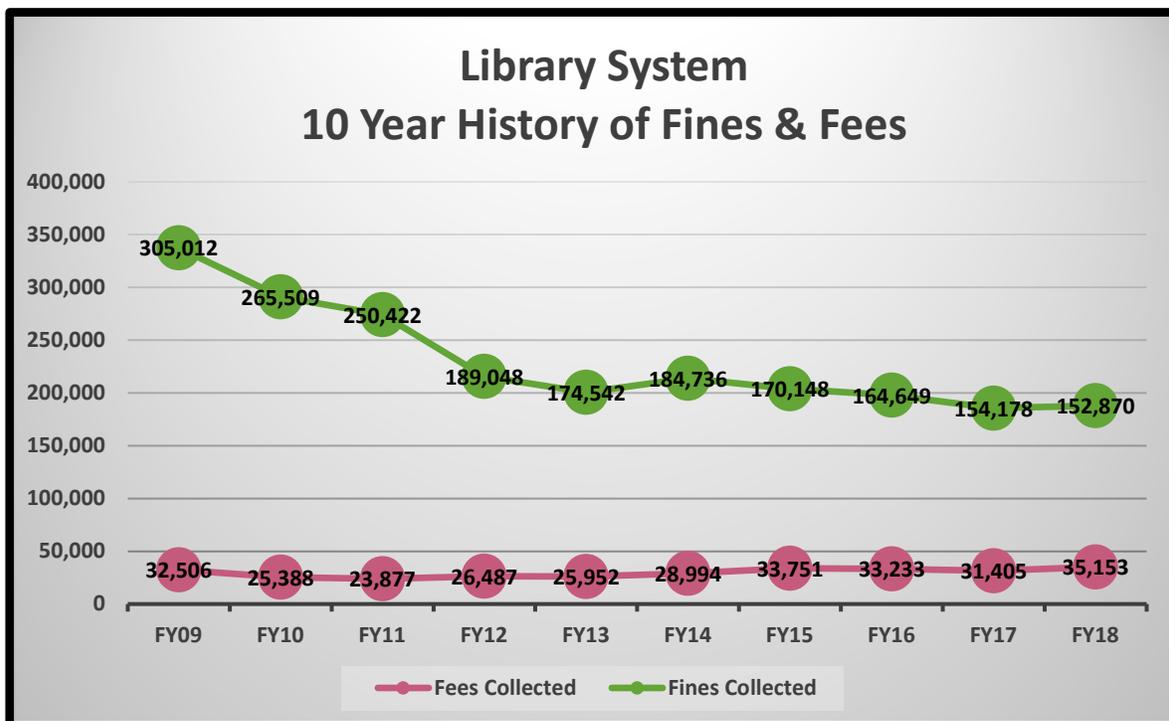
| Material Type                        | Loan Period      | Charge      |
|--------------------------------------|------------------|-------------|
| Books, Music CDs                     | 3 Weeks          | .25 per day |
| New Books                            | 2 Weeks          | .25 per day |
| DVDs and all video recording formats | 2 Weeks          | \$1 per day |
| eBooks and eAudiobooks               | 7, 14 or 21 Days | No fines    |
| Book Club Bags                       | 8 Weeks          | \$1 per day |

\* Fines are charged for late-return of items. Fees are charged for non-return of items.

If cumulative fines or fees reach \$25 or more, the patron account is suspended, and no additional items may be borrowed until the fines/fees are received.

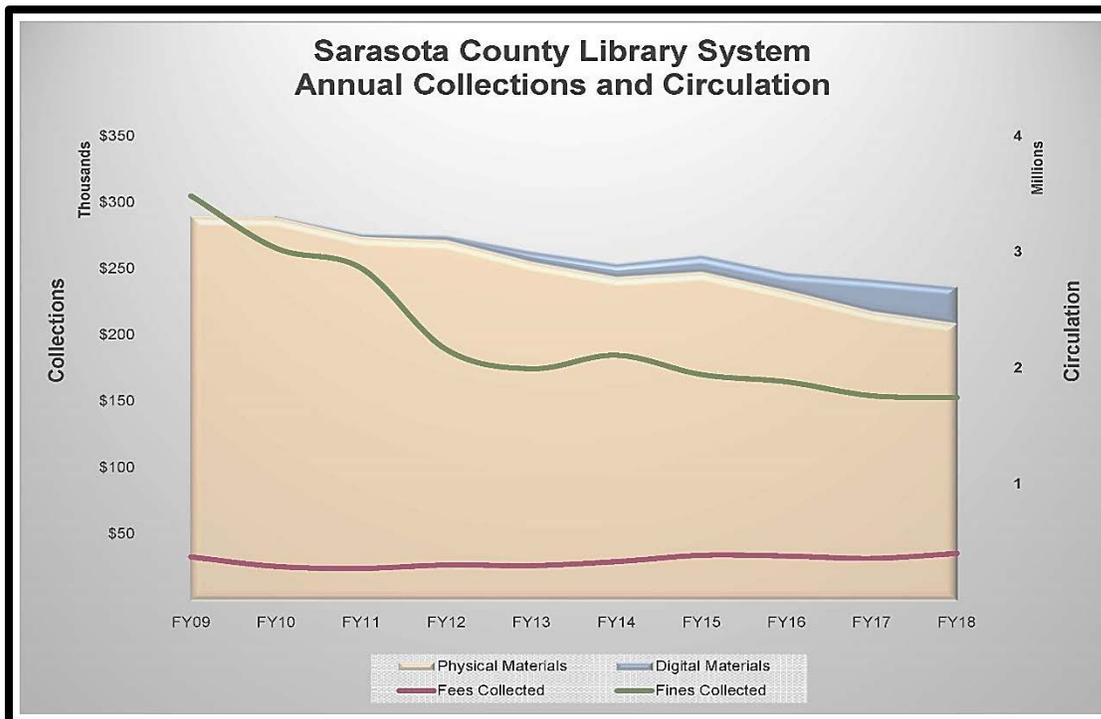
## fiscal impact

From fines revenue totaling \$305,012 in FY09, to a total of \$152,870 collected in FY18, the collection of fines has decreased by 49.9%. The collection of fees has remained relatively flat, within a fluctuation of \$3-4,000 per year. The increase in fees collection in the most recent year may be credited to the ability of library patrons to pay more conveniently online, using credit cards. Library users continue to request the ability to pay by card, either from home or in the library.



As indicated in the chart below, the circulation of physical materials decreased slightly over the past five years, while simultaneously, the demand for and borrowing of digital content continued to increase. With a larger variety of digital content platforms and subscription options, the opportunity to participate in reciprocal borrowing, and a recent contribution of over \$200,000 from the Library Foundation and the Selby Foundation for eBooks and eAudioBooks, patrons of the Sarasota County Libraries are finding more digital resources to borrow.

Staff anticipates that revenue generated from late-return fines will continue to decrease naturally, as eBooks and eAudioBooks do not incur fines. The balance in use between the physical collection and digital collection will continue to shift, as demand grows for the convenience of downloading to borrow items any time, from any location, as compared to visiting one of the libraries.

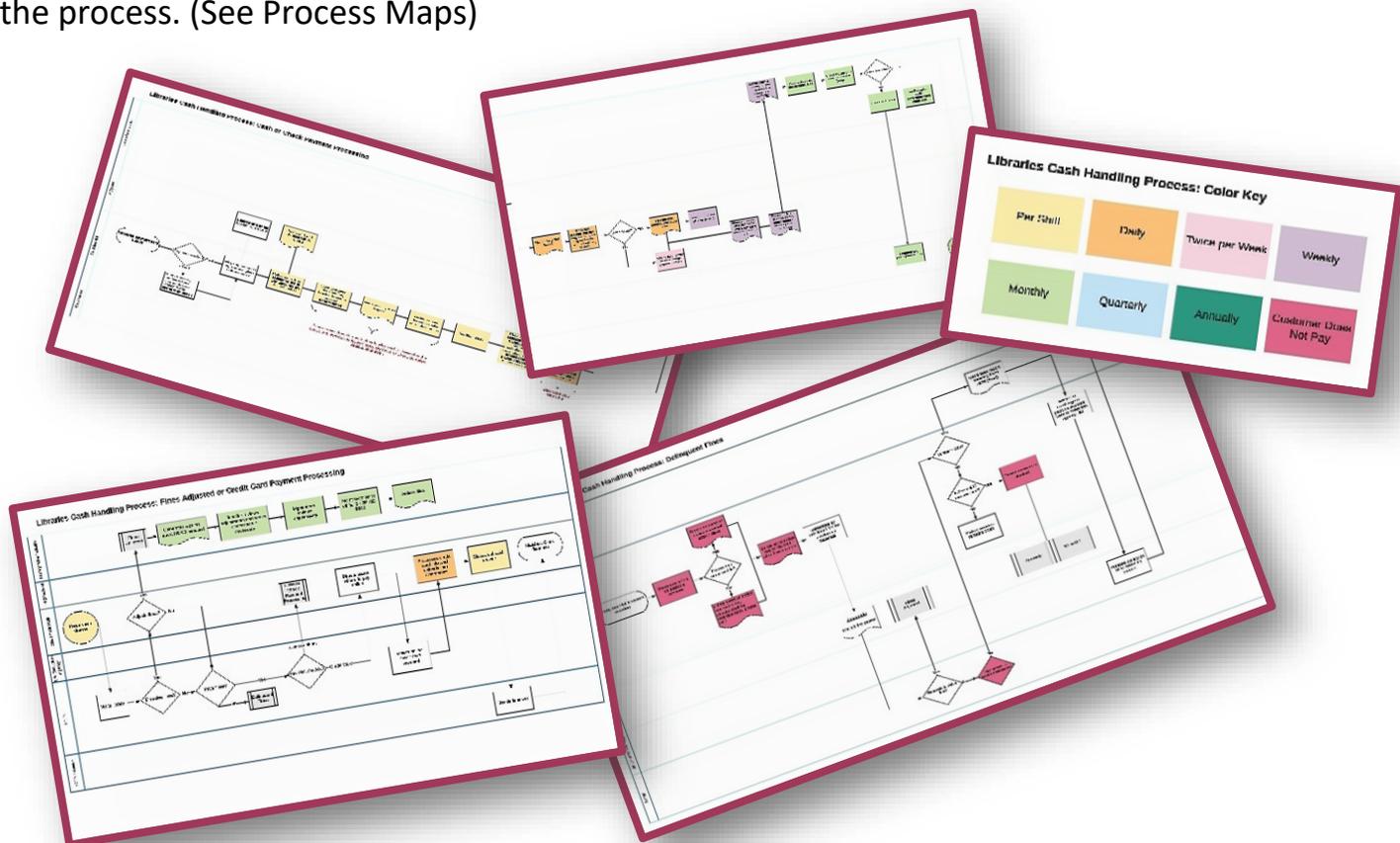


Another area of fiscal impact is the practice of libraries to contract with a materials recovery provider to pursue return of or payment for collection items that are long overdue. Most of the libraries that responded to the survey and that previously contracted with a materials recovery service, reported that following the elimination of late-return fines there was a re-evaluation of the need to continue the service. Sarasota County currently uses the services of Unique Management, a materials recovery vendor. The annual cost of the service is @ \$15,000. Staff will evaluate the continued use of the Unique Management service if late-return fines are eliminated.

## staff time impact

From the surveys conducted with peer libraries and libraries that have already eliminated fines, the results suggest that a drop in revenue will be offset by other savings. Members of the PIT conducted an in-depth analysis of the cash handling process for which library employees are responsible, including Collecting Delinquent Fines, Processing Credit Card Payments, and Processing Cash and Check Payments. There are numerous interactions with patrons involving fines imbedded in every step.

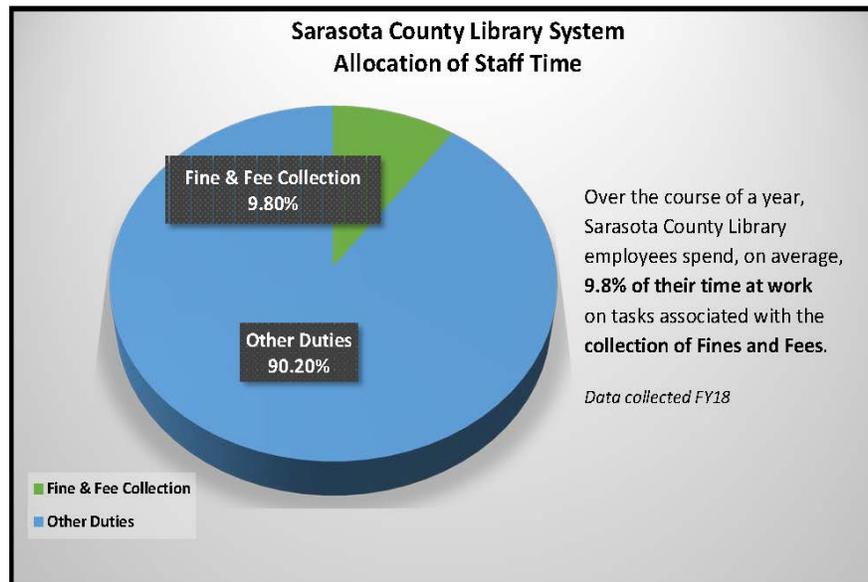
These processes occur at nine libraries and through the Info Central phone service with routine frequency for various transactions completed: per-shift; daily; twice weekly; weekly; monthly; quarterly; and annually. For each step that was recorded on the process maps, the average time spent by an employee was calculated. Because of the requirement for distinct separation of duties, most library employees participate in the process. (See Process Maps)



A calculation model was created by members of the PIT to include the annual cash handling hours per service group (such as Customer Service Representatives, Librarians, Supervisors, Managers, etc.) and the percentage of total work hours devoted to the cash-handling tasks.

The charts below provide a summary of the time related to each step of the cash handling process, conducted by each employee service group, with the associated salaries and multiplied by the frequency of the process, to estimate the total cash handling time and the percentage of total work hours devoted to cash handling duties.

| <b>LIBRARY SYSTEM CASH HANDLING TIME ESTIMATE - SUMMARY</b>                |               |                                 |                            |   |
|--|---------------|---------------------------------|----------------------------|---|
| <b>Service Group</b>   | <b>FTEs</b>   | <b>Working Hours (annually)</b> | <b>Cash Handling Hours</b> | <b>% of Working Hours Spent on Cash Handling Duties</b> |
| Customer Service Representative  | 68.75         | 126,500                         | 24,444                     | 19.3%   |
| Branch Supervisor/Manager  | 18.00         | 33,120                          | 1,403                      | 4.2%  |
| Librarian Total  | 36.00         | 66,240                          | 1,543                      | 2.3%  |
| Branch Services Supervisor   | 1.00          | 1,840                           | 87                         | 4.7%  |
| Technical Services – Finance   | 2.00          | 3,680                           | 8                          | 0.2%  |
| System Tech  | 1.00          | 1,840                           | 96                         | 5.2%  |
| Library Management (Branch Services Manager, Operations Manager, Director) | 3.00          | 5,520                           | 194                        | 3.5%  |
| Library IT Systems Support   | 3.00          | 5,520                           | 1                          | 0.0%  |
| Library Administrative Support   | 4.25          | 7,820                           | --                         | 0.0%  |
| Library System Services  | 8.50          | 15,640                          | --                         | 0.0%  |
| Technical Services   | 9.00          | 16,560                          | --                         | 0.0%  |
| <b>TOTALS</b>  | <b>154.50</b> | <b>284,280</b>                  | <b>27,776</b>              | <b>9.8%</b>   |



*On average, library employees spend **9.8% of work time** on tasks associated with the collection of Fines and Fees.*

*Front-line Customer Service Representatives spend over **19% of work time** devoted to cash management for Fines and Fees.*

**The total cost associated with staff time devoted to cash handling responsibilities in FY2018 was**

**\$1,125,322**

One of the points of frequent discussion with staff is the potential for alternative use of the time currently spent managing fines-related duties. Staff recommended that other activities, which are more directly beneficial to library patrons and potential library users, become part of a new routine after late-return fines are eliminated:

- ▶ Assist at service desks to reduce wait time and devote more time to patrons
- ▶ Perform roaming duties for real-time assistance to patrons
- ▶ Assist patrons with technology; 1:1 help and classes
- ▶ Help patrons complete online applications for government/social services
- ▶ Present programs, including instruction sessions requested by patrons
- ▶ Conduct outreach activities with under-served populations
- ▶ Conduct more frequent collection maintenance and inventory tasks

## comparing results

The team compared the local data with numerous other library systems, from the periods of time required for each type of transaction, to the assignments for various job classes, percentage of total work hours devoted to cash handling tasks, as well as compensation rates. The San Rafael (CA) Library, the Vernon Area (IL) Public Library District and the Stark County (OH) District Library all reported consistent results, with the conclusion that *the cost of staff time to collect overdue fines and to conduct all of the related cash-handling processes is greater than the value of the fines.*

The Colorado State Library, following the completion of a comprehensive study on the impact of fines on library usage concluded that “the administrative costs, including equipment and supplies, and staff time associated with collecting funds from patrons, often equals or exceeds the revenue earned from library fines.” The High Plains Library District (CO) reported that after eliminating late fines on library materials, the financial repercussions were neutral, because they were able to eliminate charges from a collection service and the percentage of returned items increased, thus reducing the cost of replacing the non-returned items. The staff credited the increased return of materials to more frequent visits by library patrons, since they no longer faced the penalty of late-return fines.

Several peer libraries reported that an often unnoticed, negative side effect of charging fines is the anticipated reaction to or fear of accruing fines. Parents and caregivers in disadvantaged families may make the rational decision not to allow their children to get library cards due to the possibility of incurring late-return fines that they cannot afford to pay.

When the San Rafael Public Libraries experimented with the elimination of fines in 2014, borrower card registrations increased by 28% overall, with a 39% increase in youth card registrations. Those increases were driven in large part by a 126% increase in registrations at the branch that served the most economically disadvantaged neighborhood in the city. Without the threat of accruing late-return fines, more parents and caregivers responded enthusiastically to the opportunity for all members of the family to have library cards.

This increase in library card registrations and a resulting increase in borrowing from the collection was a common theme from the libraries that responded to the survey.

## win-win-win outcomes

From the expansive research conducted by the PIT, there appears to be an increasing body of research and real-life experience to support the proposal to eliminate late-return fines. Libraries that eliminated late-return fines consistently reported that:

- ▶ More materials were returned to the libraries
- ▶ Borrower card registrations increased
- ▶ Circulation of materials increased
- ▶ Staff time was redirected to more customer-focused service
- ▶ Patron satisfaction increased; interactions were positive
- ▶ Students who rely on the library returned for homework resources and help
- ▶ Library mission was fulfilled by decreasing barriers to access and encouraging (rather than discouraging) use of the library

Contrary to concerns that the elimination of fines would result in a loss of patron accountability, staff of the Milton Public Library (VT) reported that following the no-fines implementation, more people returned books on time, and patrons felt more welcome in the library. The Circulation Manager noted, “We now see patrons return to the library after not visiting, and every interaction with them is more positive. Basically, they know we’re in their corner.”

Every library that eliminated fines and responded to our survey reported one outcome consistently. When asked about the single most significant change that occurred as a result of the new policy, respondents reported that the increased goodwill of patrons toward the library and appreciation for the ability to “return to use their library” strengthened the staff’s resolve to fulfill the public library mission of providing equal access to resources, learning experiences and opportunities.

## and in conclusion ...

Every indication from the research conducted, as well as the conversations that PIT members had with library colleagues across the country, suggests that fines do not serve the intended purpose to promote on-time return of materials.

Fines do, however, create real barriers to access, inequitably impacting the most vulnerable in our community. Members of the Process Improvement Team recommend that Sarasota County hold true to the library mission to offer equal access to information, foster lifelong learning and inspire community engagement. We respectfully recommend the elimination of late-return library fines.