

Public libraries

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OFFICE OF THE LEGISLATIVE AUDITOR

STATE OF MINNESOTA

Evaluation Report Summary / March 2010

Public Libraries

Major Findings:

- Minnesota uses a complex, multilayered approach to deliver public library services, with local governments primarily responsible for funding and administering public libraries.
- State government plays an important "behind-the-scenes" role by providing programs and financial assistance to regionally based library systems, not individual libraries.
- In 2008, 138 counties, cities, and regional entities operated 135 public libraries with 359 buildings at a cost of \$202 million.
- State law requires counties and all cities choosing to operate a public library to maintain a minimum level of funding for library services, and most library revenue—84 percent in 2008—comes from local governments.
- Cities that choose to operate libraries were required to pay more than twice as much per resident for library services than counties in 2008.
- Although they vary widely in terms of services, regional public library systems have generally been effective in allowing libraries to share resources and expand services.

- Multitype library cooperation systems have had little positive effect on public libraries.
- Federated regional library systems, where counties and cities operate area libraries themselves, spent about 56 percent more per resident than consolidated systems, where the regional system operates one library for the entire area.
- But federated systems offered residents more library resources and were more heavily used in 2008.

Recommendation:

 To reduce duplication and enhance coordination, the Legislature should eliminate multitype library cooperation systems and move their function and funding to the regional public library systems.

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Report Summary

Minnesota residents have had access to public library services for well over 100 years, beginning when Zumbrota and Faribault established the state's first public libraries in 1879. Since then, public libraries have evolved from simply buildings people visit to check out books to virtual environments that allow users to access library materials worldwide from home, office, and school computers 24 hours a day.

Public libraries serve many roles, both within and beyond the communities where they are located. They give all residents, regardless of income, free access to information, including printed materials, videos, recordings, electronic databases, and the Internet. They also provide a wide variety of programs and resources to promote literacy or lifelong learning such as computer classes, job training, and children's story time. Finally, public libraries serve as sites for community meetings as well as informal gathering spots for residents.

Despite their popularity—or perhaps because of it—libraries are facing major challenges. Demand for services has increased over the last several years while staffing levels have declined. Technological advances, a more diverse population, and a poor economy have also made it difficult for libraries to respond to community needs.

Local governments are primarily responsible for funding and administering public libraries.

Under Minnesota law, counties are responsible for ensuring that residents have access to public library services. They do this by operating libraries themselves, contracting with cities that operate libraries, or obtaining library services through a regional entity. Counties and all cities that operate a public library must provide at least a minimum level of funding for library

services. This amount varies widely among local governments and is based on either their tax capacity or population (whichever is less) or, for those counties and cities paying above this amount, what they spent for library operating expenses in previous years.

Any city or county can establish and operate a public library, and three or more counties can band together to operate a regional library. In 2008, 138 counties, cities, and regional entities operated 135 public libraries with 359 buildings statewide.

Cities that operate libraries pay substantially more for library services than counties.

In 2008, public library revenue totaled over \$207 million, or about \$39 per resident. Most of these funds, 84 percent, came from counties and cities. Cities that operated libraries were required to contribute, on average, almost \$38 per resident compared with nearly \$16 for counties. City requirements ranged from about \$10 in Brainerd to just under \$113 in McKinley. County requirements ranged from almost \$5 in Roseau County to a little more than \$49 in Hennepin County.

Cities with libraries also generally paid more per resident than did the county in which they were located. In 2008, for example, Mountain Lake, Westbrook, and Windom paid from \$20 to \$38 more per resident for library services than did Cottonwood County, and cities with libraries in St. Louis County paid from \$24 to \$100 more per resident.

State government plays an indirect, "behind-the-scenes" role that is not always appreciated by the library community.

State Library Services in the Minnesota Department of Education is the state's lead agency for libraries. By law, it focuses on providing programs and

Today's public libraries provide a wide range of services and face difficult challenges. SUMMARY 3

Local library officials are often critical of State Library Services, an office in the Minnesota Department of Education. financial assistance to regional entities rather than individual libraries. Its goal is to help ensure that residents statewide have reasonable (not necessarily equal) access to library services. To accomplish this, the agency distributes various state and federal grants to regional public library systems. These grants help pay for a variety of services, including interlibrary loan and delivery, automated library catalogs, electronic databases, and reference services.

State Library Services also provides state and federal funds to Minitex, a publicly supported network of academic, public, state government, and special libraries. Minitex, in turn, provides many resources and services to the regional systems, including electronic databases and books, reference services, and interlibrary loan and delivery.

Despite State Library Services' role in funding umbrella services to regional library systems, many in the library community are often critical of the agency. They want a more visible and active state library agency, which is beyond its role as set forth in statutes. Also, the organizational and funding structure of the library system requires the agency to work more closely with regional systems rather than individual libraries. Individual libraries are likewise encouraged to work through their regional systems, not the state. Finally, the disconnect between the agency's activities and the library community's expectations is fueled by the agenda that State Library Services has adopted—one that it has been unable to fulfill over the last several years.

Regional library systems have generally been effective in sharing resources and expanding services.

In 1978, the Legislature began to provide funds for regional public library systems that counties and all cities that operate libraries must now join to receive most state services. Their goal is to help local governments share

resources, reduce duplication (including library administration), and expand services.

Minnesota currently has 12 regional library systems, each overseen by a governing board consisting largely of local government officials. Six of the systems are "federated" in that local governments retain ownership of public libraries. The remaining six are "consolidated" where the regional system, not individual counties and cities, actually operate the libraries as a single unit.

Regardless of how they are organized, each of the regional systems has wide latitude in how it addresses the needs and interests of the area it serves. In 2008, all regional systems provided member libraries with interlibrary loan and delivery services, access to electronic databases and books, training opportunities, and general advice and assistance. All but one maintained a regionwide automated catalog that allowed users to access the collections of participating libraries, including some K-12 libraries.

Some regional library systems offer members extra services. For example, many provided access to additional databases beyond what the state gave them. Others provided special rotating collections, needs assessments, bookmobile or mail-a-book services, museum passes, or technology assistance.

In our statewide survey of public library directors, 90 percent of respondents "agreed" or "strongly agreed" that the advantages of belonging to a regional system outweighed the disadvantages. At least 80 percent said their system met their library's needs and was a "good fit." Over three-fourths said their libraries benefited financially or programmatically from their membership in a regional system.

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Local public libraries interconnect and cooperate in various ways and with varying results. Multitype library cooperation systems have had little positive effect on public libraries.

The 1979 Legislature created multitype library cooperation systems to provide opportunities for all types of libraries (academic, public, school, and special) to work together. Minnesota has seven multitype systems that vary widely in focus and services. We found overlap between their activities and those of the regional library systems and Minitex. Many regional systems and individual public libraries already work closely with area schools. Also, regional systems have a strong working relationship with Minitex, which provides school, academic, and public libraries with many databases and services that link all types of libraries.

The Legislature should eliminate multitype cooperation systems as separate entities and move their function and funding to the regional library systems. Two multitype systems have already "unofficially" merged with the regional public library system in their area. Cost savings would likely be small, but opportunities for public libraries to work more closely with other types of libraries, especially school libraries, would be enhanced and more coordinated. State Library Services should require the regional library systems to report annually on their expenses and activities related to library cooperation (as multitype systems must currently do).

Federated library systems cost more than consolidated systems, but they offered more resources and were more heavily used.

In 2008, federated systems spent, on average, \$43 per resident while consolidated systems spent \$19. Public libraries with the smallest population bases (less than 5,000 residents) and the largest (250,000 and above) were the most costly to operate, spending about 17 percent more than the statewide average of \$37 per resident. About onehalf of Minnesota's public libraries were operated by local governments with fewer than 5,000 residents; 5 public libraries each served 250,000 or more residents—most of these were operated by counties in the Twin Cities metropolitan area.

Regarding resident access, libraries in federated systems had, on average, more staff, larger collections, and more computer terminals per resident than consolidated systems in 2008. They were also more heavily used. On a per resident basis, federated library systems averaged 29 percent more visits and 56 percent more requests for materials via interlibrary loan than did consolidated systems in 2008. Circulation and program attendance per resident were also greater in federated systems—42 percent and 26 percent, respectively. Computer use per resident was comparable.

Summary of Agency Response

In a letter dated March 12, 2010, Minnesota Commissioner of Education Alice Seagren wrote that the department "is in agreement with the recommendations and will work with the Legislature to facilitate" eliminating multitype library cooperation systems and transferring their function and funding to the regional public library systems. She also indicated that State Library Services will implement the remaining three recommendations. Overall, the department was "pleased to see that the current regional library systems structure is working well for Minnesotans," but noted that State Library Services expressed concern that some of its roles and responsibilities, especially as they relate to the Braille and Talking Book Library, were not included in the evaluation.