



**Proposal for moving from an Overdue Fine Model  
to a Materials Recovery Model**

Submitted by  
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## **Background**

In 2016, the Library Department developed a Tactical Plan with a vision to be the place for opportunity, discovery and inspiration. Three of the four goals established in the plan are:

- Broaden access to library resources
- Be a model for innovative programs and services
- Establish a strong library presence within San Diego

Objectives call for developing an equitable approach to library services through reviewing procedures and processes to ensure a positive user experience and employing best practices for serving patrons of all abilities. To align current San Diego Public Library practices with the identified strategic goals and objectives, I suggest moving to a Materials Recovery Model and away from an Overdue Fines Model that penalizes patrons for not returning items on time.

## **Analysis of Fees**

According to Council Policy 100-05 Library overdue fines are Category III – Fees (Fines and Penalties. (Attachment 1) User fees that fall into this category are in most cases penalties, fines or deterrents to the public (library fines, penalties for uncollected money or public safety response for disturbances). Policy states user fees in Category III shall be reviewed annually relative to the reasonableness of the fee and the fiscal effect as it relates to deterrence. In reviewing the effectiveness of library fines as a deterrent, studies have shown that fines are not the best way to motivate patrons to return materials. Kathy Dulac of the Milton Public Library in the State of Vermont reported that after eliminating fines, more patrons returned items on time and stated they felt more welcome in the library. (Dixon 42) According to a Public Libraries Online article by Julia Pyatetsky, the Vernon Public Library in the State of Illinois recently eliminated adult overdue fines. They found that books and other library materials were returned, on average, eight (8) days earlier than before the policy shift. Additionally, the number of new cardholders increased 8.0 percent, and check-outs increased 1.0 percent within three (3) months. The Columbus Metropolitan Library eliminated all overdue fines in January 2017. The decision was made when the board realized that fines not only weren't encouraging the timely return of material but that fines were actively working against the library's very reason for existence. "We've shut off access to the library when one of our staunchest principles is trying to provide the widest access to materials that we can," the system's CEO, Patrick Losinski, said. "We just felt fines ultimately were counter to the overall purpose and vision of our library." (Graham, "Long Overdue")

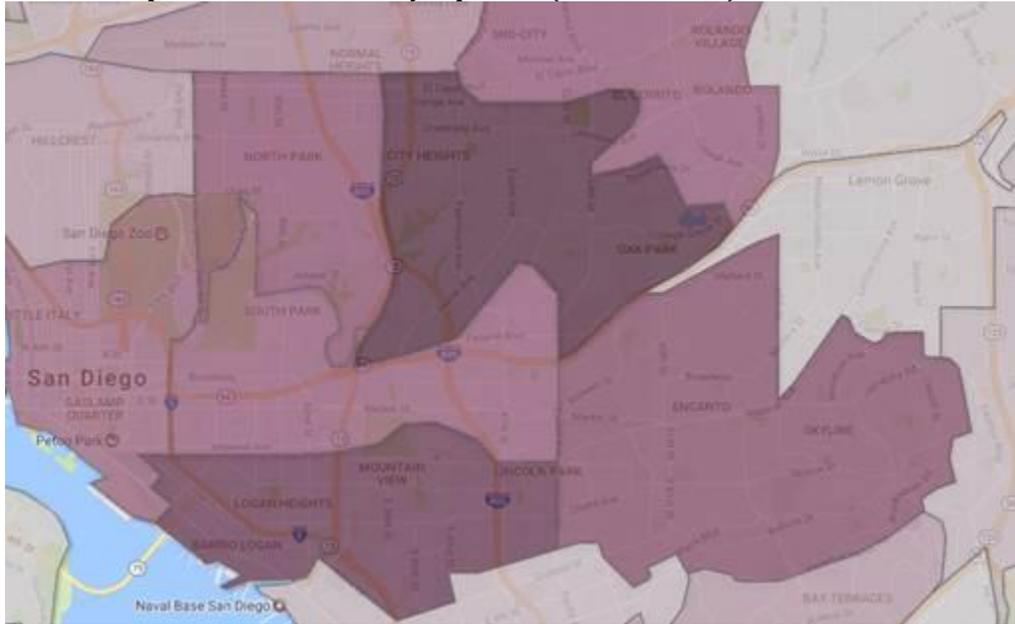
## **Service to Patrons**

Fines are a consistent and negative theme in interactions with patrons. Often staff have uncomfortable interactions with patrons that are angry or upset over fines. These patrons leave the Library with a negative image and many times we lose not only that patron but the entire family. There have been many times when staff have heard stories of parents not allowing their children to check out books because they can't afford the fines or of children being afraid of the library because of the threat of fines. This is in direct conflict with the image we want to present and with the initiative of providing a positive user experience.

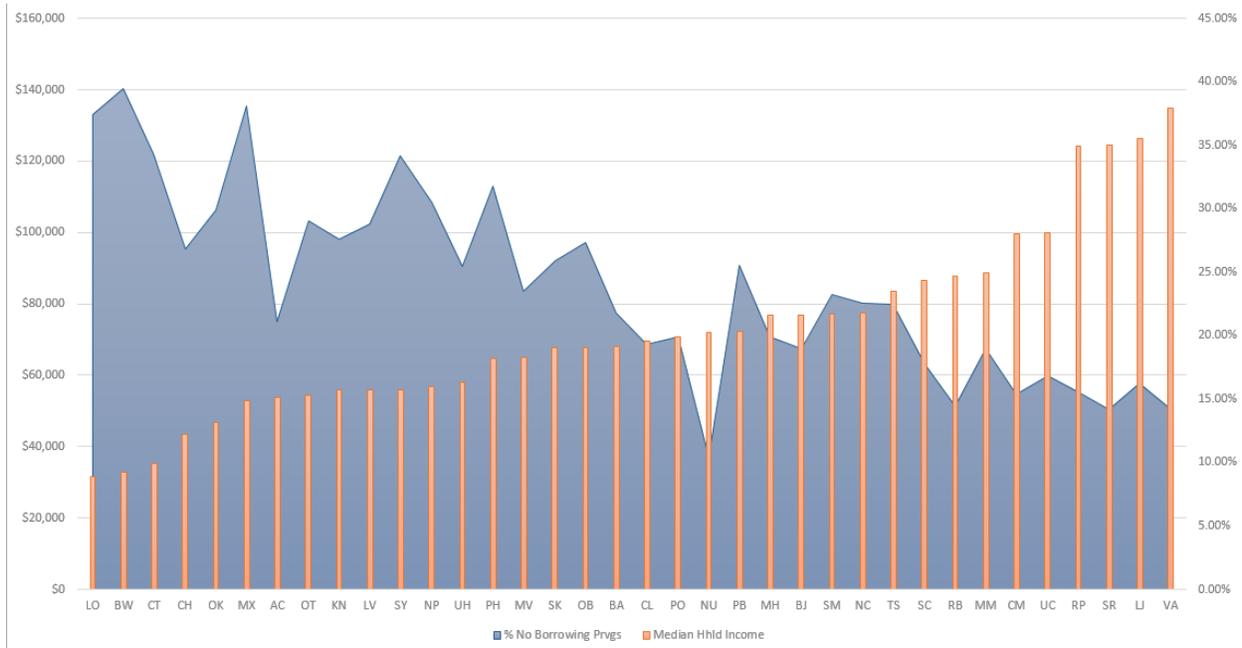
### Socioeconomic Impact

According to the US Census the median income for San Diego is \$66,116 with 15.4 percent of the population in poverty. In the San Diego region, 21.0percent of adults lack basic literacy skills (nces.ed.gov) and 60.0percent of children in economically disadvantaged areas do not meet standards in English Language Arts. (Kidsdata.org) An analysis of overdue fines by zip codes shows lower socioeconomic communities also owe the most in overdue fines. Many of our residents, the people we serve, are on limited incomes or living in poverty and the impact of library fines on their ability to use library services is real.

Table 1: Unpaid Overdue Fines by Zip Code (Attachment 2)



In “Save the Libraries!” Neuman and Celano explain, “it is important to understand that incurring library fines does not always, or even often, mean a disregard for library materials or disrespect for other library patrons.” There are many conditions such as lack of education, physical or mental disabilities, chronic unemployment or debilitating disease that can affect a person’s ability to return library materials on time and accumulating fines that can be impossible to pay off with a limited income. (2004, p.83) This accumulation of any fines from overdue materials often leads to people no longer using the Library. Once a patron reaches a \$10.00 threshold on fines, they are blocked from library services. Analysis of fines shows that the majority of patrons with blocked accounts are in underserved communities.



In fact, nearly 23% of patrons have lost access to the Library due to fines with neighborhoods like Logan Heights and Mountain View/ Beckwourth showing nearly 40% of their patrons with blocked accounts. If fines were eliminated, 128,032 more patrons would have access to our materials, 13,268 of which are children or teens. (Attachment 3) Eliminating overdue fines will eliminate a barrier to library services for those that need the library the most. Furthermore, it would be in line with the American Library Association’s Policy Statement on Library Services to the Poor that promotes “the removal of all barriers to library and information services, particularly fees and overdue charges.” (ala.org)

### Financial Impact

Historically, the average amount of overdue fines collected every year is approximately \$675K. This accounts for 0.05percent of General Fund revenue and 1.25percent of the Library’s operating budget. Upon analysis, it actually costs the Library and City more in staff time and resources to collect overdue fines. Between 2014 and 2016, there was an average of 399,386 overdue fines paid in person. If each payment took one (1) minute, this would equate to 6,656 hours. Each library location must do a daily deposit that takes a staff member approximately 30 minutes with an additional 10 minutes for a second person to verify for a total of 8,034 hours. Additionally, there is one (1) Account Clerk in the Library’s business office who spends all of their time preparing daily deposit uploads and another Account Clerk who spends half of their time reconciling and preparing bank and upload corrections. Using the Fiscal Year 2017 average hourly salary rate of a Library Clerk at \$18.20/hour, the calculated cost of collecting overdue fines is \$267,366per year in direct costs. Adding the business office staff costs of \$61,417, this brings the total to approximately \$328,783 without fringe and indirect costs as well as supplies which would bring the total to \$1,054,576. (Attachment 4) This is a conservative estimate as often the staff member collecting fines is of a higher classification than Library Clerk and the amount of time spent per transaction can be far more than the estimated one minute. Furthermore, the Library has nowoffers automatic

renewal which will result in the average amount of fines collected yearly to decrease significantly to approximately \$300K. From a strict cost recovery perspective, the cost of collecting fines far surpasses the amount collected.

The collection of overdue fines also impacts other City departments such as Purchasing & Contracting/Logistics Division and the Office of the City Treasurer.

### **Recommended Policy Changes**

The ultimate goals for the San Diego Public Library are to eliminate barriers to usage for all patrons, increase access to materials, increase circulation of materials and recover materials. In order to achieve these goals I recommend several policy changes that would fall in line with a Materials Recovery Model.

- 1) The day after items are due after last eligible renewal (Day 22), the patron's card is blocked and they must return items or replace them in order to access library services. If patron does not return within an additional 30 days overdue (Day 52) they will receive a bill for the total amount of items still checked out. Patrons have 30 days from this time to return or replace items before being referred to the Office of the City Treasurer. At 60 days overdue (Day 82), the account will be referred to the Office of the City Treasurer. Once account is referred (Day 82), the patrons no longer have an option to return the items. They must pay the replacement cost of the materials and all other associated Treasurer fees.
- 2) The renewal limit is 5 (five) and eligible items are automatically renewed. This will allow ample time (165 days) to return or replace an item before the account is referred to the Office of the City Treasurer, thus staying with the goal of recovering items rather than penalizing patrons.
- 3) Replacement costs must be paid online or at the self-check kiosk by credit or debit card. Cash and checks will only be accepted at designated branches with the ultimate goal of going cashless. The acceptance of cash creates the greatest financial impact in regards to staff time and supplies. By only accepting credit or debit for replacement costs, the Library will still realize the cost savings associated with the elimination of overdue fines.

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