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# Public Library Outsourcing: Evading Civic Responsibility

— Whitney McCoy, MLIS Candidate —

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# Public Libraries: Investing in Us

***Bad libraries build collections, good libraries build services, great libraries build communities.***

***R. David Lankes***

# Public Libraries: Investing in Us

Public libraries should be viewed not as an *expense*, but as an **investment**

- Funding a public library demonstrates a commitment to improving the lives of local residents
- Locally-funding libraries keeps taxpayer dollars in the local community
  - An ALA study found that for every \$1 spent on public libraries, the local community receives \$5.48 in economic value ([ALA, 2017](#))
  - The average U.S. citizen spends \$36.96 annually in taxes for the public library

# Public Libraries: Investing in Us

## Public Library Ethics and Mission

- Curate an unbiased, diverse collection of materials reflecting multiple perspectives and points of view
- Promote literacy and lifelong learning at all stages of development
- Identify and remove barriers to information access to all
- Serve as a cornerstone of democracy by protecting intellectual freedom
- Employ skilled professional librarians who protect our rights and freedoms, and create service plans targeted to diverse populations and marginalized groups

## Public Libraries: Investing in Us

“Google can bring you back a hundred thousand answers. A librarian can bring you back the right one.”

- Neil Gaiman

# The Escondido Public Library

- Cornerstone of our community since 1894
- Service population of 150,760 people -- 36,028 are children under 14
- 447,827 visits in 2015-2016: 1,435 visitors per day!
- 53 employees and 25 FTE volunteers
- 17,133 people attended 410 programs
- 80,360 annual uses of public computers
- Total materials collection of over 200,000 items
- EPL's budget comprises only **3%** of Escondido's general fund budget (Diaz, O., 2017, <https://www.times-advocate.com/articles/keep-the-escondido-public-library-public/>)

Source for EPL Statistics: [CA State Library](#)

# Library Systems and Services, LLC

“If you're looking for a sign that local political leaders are intent on giving up all pretense of working for the public interest, look no further [than the outsourcing of public library management].” - [Michael Hiltzik, \*LA Times\*, 2016](#)

- Private, for-profit company based in Maryland that manages municipal libraries via outsourcing
- Not supported by the ALA; see [ALA Policy Manual B.8.8](#)
- As a private company, nothing forces them to disclose profits, salaries of CEO and Board of Directors, employee pay and benefits, etc.

# Library Systems and Services, LLC

- Made claims that savings come from bulk buying of materials, eliminating low-circulating materials, reducing overhead costs, and increasing efficiency (Library Board of Trustees meeting, 7/11/17)
- Actual savings come from employee pay that is much lower than the industry average, poor employee benefits, and insufficient expenditures to meet community needs ([Martin, R.S., ALA Report on Outsourcing, 2000](#))
- Savings are not returned to the local community -- this is a for-profit company



# Library Systems and Services, LLC

- Founded by Frank Pezzanite, who said that “A lot of libraries are atrocious. Their [employment] policies are about job security. You can [work at] a library for 35 years and never have to do anything and then have your retirement. We’re not running our company that way.” [LA Times](#)
- Another quote: LS&S prefers to have full control of all library employees because “We have much more control. We can incent them. If an employee does a good job, we like to give them a \$5 gift certificate to Borders Books or Mrs. Fields.” [Library Journal](#)

# Library Systems and Services, LLC

- In 2006, ahead of his retirement, Pezzanite sold a majority stake in the company to Islington Capital Partners, a Boston private equity firm, in an undisclosed multi-million dollar deal. LS&S projected \$23 million in sales that year. [Source](#)
- In 2015, Argosy Private Equity acquired a controlling ownership interest in the company, stating that LS&S fit their model for “value acceleration.” Investment partner from Argosy was given Board of Directors position at LS&S as part of that deal. [Source](#)
- Is this where we want our local taxpayer money to go?

# Riverside County Library

- LS&S manages operations at all 37 service points of the Riverside County Library System, and presents this system as the poster child of their services
- Important to note: Riverside County transferred operations to LS&S as a last resort instead of shutting down their library system entirely following an economic crisis in the 1990s ([ALA](#), 2000)
- ALA report: LS&S' materials budget is "still inadequate to maintain the branch library collections, which are in the main too small for the populations they are intended to serve, and are generally old and worn. The few branches whose collection appears in better condition have clearly benefited from infusions of additional local funds." ([ALA](#), 2000)

# Riverside County Library

- ALA survey of RCLS employees:
  - *“Only fifty-six percent thought that their work schedule enabled them to get their work done in a professional manner”*
  - *“Staff turnover appears to be significant among newer employees”*
  - *“LS&S has demonstrated a willingness to hire staff without professional qualifications to perform functions that had previously been performed by professional librarians”* ([ALA](#), 2000)

# Changes in Service Quality: By the Numbers

Escondido Public Library: One branch, 11 ALA-accredited MLIS librarians

Riverside County Library: 37 service points, 36 ALA-accredited MLIS librarians

San Diego Public Library: 36 service points, 113 ALA-accredited MLIS librarians

Source: California State Library Public Library Statistics Portal, [2015-2016 Summary Data Ready Report](#)

# Changes in Service Quality: By the Numbers

Escondido Public Library: 36,028 children served, \$46,000 spent on children's materials

Riverside County Library: 287,571 children served, \$57,763 spent on children's materials

San Diego Public Library: 319,439 children served, \$586,025 spent on children's materials

Source: California State Library Public Library Statistics Portal, [2015-2016 Summary Data Ready Report](#)

# The Proposal: Is It Worth It?

- The LS&S proposal for the City of Escondido states that they will save us \$400,000 annually ([Cost Savings Analysis, City of Escondido, 2017](#))
- That \$400,000 savings is .25% of the City's 2017-2018 total operating budget ([Escondido Finance Department Preliminary Operating Budget 17-18](#))
- Shameful that our city is targeting the library as a place to find budget savings, but embarrassing that they are willing to give up library operations to a for-profit company for such a miniscule amount
- The 2017-2018 budget includes a statement indicating that the city is seeking cost-savings through outsourcing operations including graffiti removal, shopping-cart retrieval, and library services ([Escondido Finance Department Preliminary Operating Budget 17-18](#))

# Why It Matters

- Privatizing a public library is a red flag for a local government that is derelict in its duties to its citizenry
- Contracting with LS&S will remove our taxpayer money from the local community and put it in the hands of a private, for-profit, equity firm-controlled company with no obligation for transparency and no incentive for responding to our needs
- We need a public library that represents our local interests and is staffed by qualified professionals who are compensated fairly
- Outsourcing library management goes against the fundamental role of the library as integral to our community, to our public education, and to our democracy



# Why It Matters

## Mission of Library Board of Trustees:

*The primary mission of the Escondido Public Library Board of Trustees is to be vocal and energetic advocates for the essential services that the Escondido Public Library provides to our community and to give sound and timely advice and counsel to the Escondido City Council and the City Librarian on the development of plans, policies and programs that are responsive to community needs and desires.*

*([Escondido Public Library, Library Board of Trustees, 2017](#))*

- **Board Members: Do your duty and formally advise the City Council against this detrimental and embarrassing outsourcing plan**