

**FREE LIBRARY OF PHILADELPHIA
FISCAL YEAR 2017 BUDGET TESTIMONY
MAY 2, 2016**

INTRODUCTION

Good morning, President Clarke and Members of City Council. I am Siobhan Reardon, President and Director of the Free Library of Philadelphia. Joining me today are Judge Pamela Dembe, Chairwoman of the Free Library of Philadelphia Board of Trustees, members of the Board of Trustees and the Free Library of Philadelphia Foundation Board of Directors, and other key members of my staff. I am pleased to provide testimony on the Free Library of Philadelphia's Fiscal Year 2017 operating budget.

DEPARTMENT MISSION/PLANS

Mission: To advance literacy, guide learning, and inspire curiosity. Each objective in our Strategic Plan is focused on our patrons and their needs. The Library represents a safe environment filled with daily activities for infants, preschoolers, school aged, teenagers and young adults as well as older adults. Whether you are a New American, a job seeker, a person who requires computer skills training or you simply need a computer – you can find assistance at the Free Library. The core of our operation revolves around bringing services to patrons through creative and innovative programming that is unique to each neighborhood and community base.

Plans for Fiscal Year 2017:

We have remained steadfast in our commitment to carry out our 2012-2017 Strategic Plan through targeted programming and services. These programs and services make up the activities that are central to fulfilling our mission, and each aims to address and advance the Library's strategic goals and to support the Mayor's goals as well. We are also very excited that the Mayor has focused his attention on parks, rec centers and libraries with his Rebuilding Community Infrastructure initiative. If successful, our libraries will see an enormous influx of dollars to be spent solely on physical improvements that we have never seen before. We are hopeful for a positive outcome.

I would like to take a moment to first highlight our recent accomplishments of this past year and continue with our outlook to 2017. This year has been pivotal for the Library, most especially, with advancing our Building Inspiration Campaign. We are renovating both our flagship 1901 Vine Street location – Parkway Central - as well as five neighborhood libraries – Lovett Memorial, Lillian Marrero, Logan, Tacony and South Philadelphia. In just a month from now, the South Philadelphia Branch will reopen at Broad and Morris Street along with Children's Hospital of Philadelphia's primary care clinic, a recreation facility, and a City Health Care Center. This unique partnership is the first of its kind and we are delighted to be part of it and hope to be integral in forming many similar partnerships in the future. Of course, this is just one of the pieces of a much larger effort in our Building Inspiration campaign. Design on the four remaining neighborhood libraries is just about complete; the libraries have been closed and construction will begin by the fall. While those libraries are closed, nearby area libraries will have extended hours and, at Tacony, with special

thanks to Councilman Henon, we will have a shared satellite location with Mural Arts on Torresdale Avenue. When completed, these five branches, which we refer to as the 21st Century Neighborhood Libraries, will be modernized with new furniture, computers and plug-in stations, and will be ADA accessible. This transformation will create an innovative library environment that anticipates and accommodates the dynamic nature of libraries, information transfer, and the needs of the public. This work on the neighborhood libraries should be completed by October 2017.

Work on Parkway Central is also ongoing with redesigning of the stack system nearing its final phase. In preparation for this major renovation, staff has been relocated and materials moved to vacate the stack space. The demolition of this space will create approximately 30,000 sq ft of new public space for two new areas: the Business, Resource and Innovation Center (BRIC) and the Common. Both of these spaces are developing new programming designed to support the budding entrepreneur as well as critically engaged.

These physical improvements only represent a small percentage of what makes up the library system. In total, we have 49 neighborhood libraries and 3 regionals, all of which could use much needed attention. We suffer with leaking roofs, malfunctioning air and heating systems, old plumbing and electrical systems, worn out furniture, and mostly importantly, we do have several libraries that are not ADA accessible. With Rebuild dollars we will be positioned to address those needs and make necessary upgrades to these libraries.

In keeping with the 21st Century model of thinking, the Library has successfully implemented a new organizational structure focused on customer experience and community engagement by forming our libraries into nine clusters that share staff and resources. In doing this, we aim to forge deep relationships with community groups, schools and childcare programs, civic associations, other city institutions and elected officials. With support from the Office of Human Resources, we have created new staffing positions that will complement the new structure and bring more depth to the services that we can provide. Most notable, we have added Community Ambassadors in each Cluster, a Community Health Specialist (for South Philadelphia Library), as well as Digital Resource Specialists to assist patron with their computer questions and gadget problems. It has taken a few years to reach this point of implementation, though I am pleased to report that the staff has embraced these changes, and I look forward to continuing to build our outreach efforts to fully achieve the goal of the Cluster model. We believe that this organizational structure will support the Community Schools initiative and Universal Pre-k.

Also of note, and in line with the Mayor's goal to improve educational opportunities and outcomes for all of Philadelphia's children, is our progress on READ by 4th since becoming the lead agency in late 2014. The effort is mobilizing and focusing the work of more than eighty (and growing) partner organizations, both public and private, to make sure that all Philadelphia school children are reading on grade level by the time they enter 4th grade. The Campaign will annually increase the number of 3rd graders reading on grade level beginning with 1000 students in the 2015-16 academic year and an additional 200 students each successive year. Additionally, READ by 4th will annually report on: 3rd grade reading levels, K-3rd grade average attendance rate, Kindergarten readiness and community engagement. A great deal of work has been completed to date including the recent launch of a communications action plan which includes several different methods and techniques for a caregiver to teach a child to read. The READ by 4th Campaign was recently honored as one of the 28 Pacesetter communities by the National Campaign for Grade Level Reading organization. There is an abundance of new programs citywide to support the work of the lead agency.

Separate from our backbone agency responsibilities, the Library is one of the eighty READ by 4th partner agencies and we are doing our part bring reading and literacy skills to young children as well. To name a few activities, we were invited by the Philadelphia School District to engage in Building Bridges with Books, a grant funded by the U.S. Department of Education that partners the Library with the School District of Philadelphia this 2015-2016 school year. In addition to hosting 10 priority schools of the district at 19 neighborhood libraries for bi-weekly visits, we have created a brand-new curriculum for monthly Family Engagement Programs to invite the children and families of our partnered schools to participate together in fun, and hands-on literacy skill building stations at libraries throughout the city. These monthly programs are designed to teach parents and caregivers how to easily include literacy skill building into everyday activities. Additionally, as one of the several deliverables in connection with our William Penn Foundation grant, the Library, through each cluster group, is expected to play a key role in a minimum of six schools in progressing those schools toward their goals. And finally, we have recently purchased Ready Rosie, a parent engagement tool, that anyone with a Philadelphia address will be able to access. This resource is an early education tool than connects to parents, in English or Spanish, with text messages and video resources.

The Library will continue its PNC Words at Play Vocabulary Initiative program into FY17. In partnership with four other cultural organizations, the Library developed a curriculum focusing on vocabulary development to teach family –based activities and techniques for encouraging word awareness in young children. The program engages parents and families in order to close the “30 million word gap,” the disparities between language development and reading in children from different socioeconomic classes. Our program reached over 500 families in Year 1 and we are aiming for a higher number next year. In FY17, we are planning to continue all our great programming, with one more block party in the fall, and we are currently working to partner with neighborhood businesses to provide ‘book nooks’ and literacy ideas to share with their customers. We are beginning to work with barbershops and hair salons to provide these ‘book nooks’ and toys to help spread the importance of reading/talking/playing with young children to build their literacy skills before they start school. Additional local business where families might spend time, like laundromats, will also be recruited to participate in getting ‘book nooks’ and we are looking to work with restaurants to have early literacy activities and ideas to do at home on pizza boxes and take out bags to give adults ideas of simple activities to support their young child’s learning at home.

Furthering the Library’s commitment to strengthening the literacy skills of children in Philadelphia, we continue to offer a very strong summer reading program. Along with our existing and engaging Summer Reading workshops, we began a JumpStart Camp last year. This program, funded with new city operating dollars in FY16, was designed to combat the summer slide and give first through third graders a running start in returning to school. JumpStart is a literacy intensive camp that was offered during the month of August at three libraries. Building on the positive response and consistent attendance, we will offer this program again this year at eight locations. These benefits will grow over time, and these children will end next school year and the years after more likely to be reading on grade level. Internal evaluation will demonstrate outcomes in: 1) holding off summer learning loss, 2) preparing students socially to reenter the classroom, 3) providing deep practice in writing and reading.

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From the success of our LEAP afterschool program, the Culinary Literacy Center to our ever growing Author Series, there is so much work to report on from this past year, though I would like to mention our plans for FY17. Looking ahead, we will largely focus on the continuation of our work

thus far. In addition to shepherding along our Building Inspiration projects and our robust programming portfolio, we will begin to concentrate on measuring our work to help push our decision making to be more data driven. In order to gauge the measurable impacts of our work, the Library's Strategic Initiatives Department will work with all involved programs and partners to develop assessment and evaluation plans for each stage of growth. Tangible goals, along with quantitative and qualitative data will be collected to demonstrate success of defined outcomes. Data-based outputs and indicators will include Library program attendance, number of families served by and using library services, etc. Methods will include surveys, focus groups, and other tracking means.

Turning our attention to supporting the Mayor's initiative to improve economic opportunities for all Philadelphians, we are involved in multiple programs to assist jobseekers. With funding through a grant from the Institute of Museum and Library Services, the Library, in partnership with nine community agencies, will develop a model for how public libraries can fully integrate their work with the broader systems of workforce development and adult education. The project will utilize a collective impact approach, emphasizing mutually reinforcing activities, shared measurement systems, and continuous communication, to drive social change. The work of the partners will be centered in the Paschalville neighborhood in Southwest Philadelphia, which is characterized by extreme poverty, high unemployment, and low levels of educational attainment. The project will have a special focus on serving the needs of residents from immigrant/refugee communities or who have a history of incarceration. Building on a prior planning grant, the Free Library and its partners will share the model nationally with the library profession and social service sector.

In addition, our ongoing Libraries in Cell Blocks program, we will carry on our prison literacy outreach efforts with Stories Alive. Stories Alive kicked off earlier this year and is a year-long project brings together incarcerated moms and dads at the Riverside and Curran-Fromhold correctional facilities, with their children and family members for teleconferencing story times in the neighborhood libraries. Up to six families gather at Frankford, Kensington, or Widener Libraries each Saturday to read stories and visit with their parents via a connection similar to Skype. In addition to the valuable time together, the families also receive library cards and free books to take home. Once released, inmates who have participated will also receive a Resource Guide and temporary library cards. As the program progresses, we will share results from surveys and other relevant data. There are plans to expand this program once additional funds become available. In subsequent years, expansion of prison literacy outreach at neighborhood libraries where much-needed literacy-building programming for families of the incarcerated and returning citizens, such as family reading groups and job-seeking workshops, will grow.

The Library remains committed to working on bringing the citizens of Philadelphia the best service that we possibly can. I would like to take this opportunity to thank all of the members of Council for their support of the Free Library and look forward to working with you in the future.

I'm happy to answer any questions that you might have at this time. Thank you.

**FREE LIBRARY OF PHILADELPHIA
BUDGET SUMMARY AND OTHER BUDGET DRIVERS**

Staff Demographics Summary (as of January 2016)

	Total	Minority	White	Female
Full-Time Staff	643	348	295	379
Executive Staff	9	1	8	4
Average Salary - FTS	\$45,126	\$40,977	\$51,068	\$43,280
Average Salary - ES	\$111,844	\$106,088	\$112,563	\$111,747
Median Salary - FTS	\$52,061	\$38,892	\$52,242	\$43,488
Median Salary - ES	\$91,003	\$106,088	\$99,252	\$98,296

Employment Levels (as of January 20)

	Budgeted	Approved	Filled
Full-Time Staff	707	707	643
Part-Time Staff	174	174	27
Executive Positions	10	10	9
<i>Overall Average Salary</i>	45,126	45,126	45,126
<i>Overall Median Salary</i>	52,061	52,061	52,061

Financial Summary by Class - General Fund

	Fiscal 2015 Actual Obligations	Fiscal 2016 Original Appropriations	Fiscal 2016 Estimated Obligations	Fiscal 2017 Proposed Appropriations	Difference FY17-FY16
Class 100 - Employee Compensation	\$35,306,128	\$35,474,252	\$35,224,252	\$35,454,254	\$230,002
Class 200 - Purchase of Services	\$2,750,124	\$2,324,077	\$2,324,077	\$2,324,077	\$0
Class 300 - Materials and Supplies	\$2,159,619	\$2,239,615	\$2,491,663	\$2,241,663	(\$250,000)
Class 400 - Equipment	\$70,498	\$63,044	\$60,996	\$60,996	\$0
Class 500 - Contributions	\$382,500	\$0	\$0	\$0	\$0
Class 700 - Debt Service	\$0	\$0	\$0	\$0	\$0
Class 800 - Payment to Other Funds	\$0	\$0	\$0	\$0	\$0
Class 900 - Advances/Misc. Payments	\$0	\$0	\$0	\$0	\$0
TOTAL	\$40,668,869	\$40,100,988	\$40,100,988	\$40,080,990	(\$19,998)

**FREE LIBRARY OF PHILADELPHIA
PROPOSED BUDGET OVERVIEW**

PROPOSED FUNDING REQUEST

The proposed Fiscal Year 2017 general fund budget totals \$40,080,990 a decrease of \$19,998 over Fiscal Year 2016 estimated obligation levels. This decrease is primarily due to reduced funding in Class 300.

The proposed budget includes:

- \$35,454,254 in Class 100, a \$230,002 increase over FY16. This funding will cover negotiated union pay increases set to occur July 1, 2016.
- \$2,324,077 in Class 200, the same amount as in FY16. This funding will cover contracts and services needed to maintain current levels in FY17.
- \$2,241,663 in Class 300, a \$250,000 decrease over FY16. This funding represents an offset from a FY16 transfer ordinance from Class 100 to Class 300.
- \$60,996 in Class 400, the same amount as in FY16. This funding will be used for repair of or replacement of existing equipment.

STAFFING LEVELS

- Budgeted positions: 692
- Approved positions: 692
- Filled positions: 648

A full staff of budgeted positions will provide six-day service at all neighborhood libraries.

- As needed, employees will be hired through a special bilingual certification of existing civil service eligible lists.
- See appendix for Bilingual Employees Chart

**FREE LIBRARY OF PHILADELPHIA
PERFORMANCE, CHALLENGES AND INITIATIVES**

DEPARTMENT PERFORMANCE (OPERATIONS)

Performance Measures (System-wide)	FY15 Actual	FY16 YTD	FY17 Target
Total Circulation	6,511,581	2,652,419	6,670,000
Total Virtual Visits Via FLP Website	9,200,000	4,954,546	9,475,000
Total Computer Use	1,447,116	570,864	1,400,000
Total Library Hours Open	110,785	52,659	105,000 (4 libraries temporarily closed for renovation in FY17)
Total Programs Offered	26,300	11,706	26,900
Total Program Attendance	573,074	258,350	575,000
Turnstile Count	5,891,382	2,373,468	5,400,000 (4 libraries temporarily closed for renovation in FY17)
Total New Registrations*	65,965	21,537	73,500

**New Registration accounts for all new library cards issued.*

**FREE LIBRARY OF PHILADELPHIA
OTHER BUDGETARY IMPACTS**

FEDERAL AND STATE (WHERE APPLICABLE)

- The Free Library's E-rate reimbursement is a federally funded program, thereby subject to any change by the governing body; the FCC. Their ongoing effort to ensure that the program is achieving the desired impact on schools and libraries means that the future reimbursement levels and eligibility for reimbursement are subject to change; either positively or negatively.
- The Library for the Blind and Physically Handicapped receives a substantial amount of funding from the State each year which is subject to any budgetary constraints at the state level.
- Similarly, the Free Library receives monies for Materials from the State as well.

FREE LIBRARY OF PHILADELPHIA – CONTRACTING EXPERIENCE

**M/W/DBE Participation on Large Contracts
FY16 Contracts**

Vendor	Service Provided	Amount of Contract	RFP Issue Date	Contract Start Date	Ranges in RFP	% of M/W/DBE Participation Achieved	\$ Value of M/W/DBE Participation	Total % and \$ Value Participation - All DSBEs	Local Business?	Living Wage Compliant?
Verizon	Wide Area Network	\$1,054,700	12/14/12	7/1/13	MBE: Best Efforts	0%	\$0		y	y
					WBE: Best Efforts	0%	\$0	0%		
					DSBE: Best Efforts	0%	\$0	\$0		
Unique Management Services	Overdue mailing service	\$125,000	4/16/12	7/1/12	MBE: Best Efforts	0%	\$0		n	y
					WBE: Best Efforts	0%	\$0	0%		
					DSBE: Best Efforts	0%	\$0	\$0		
Project HOME	Community Outreach program - Restroom attendant service	\$74,071	5/15/12	7/1/12	MBE: Best Efforts	0%	\$0		y	y
					WBE: Best Efforts	0%	\$0	0%		
					DSBE: Best Efforts	0%	\$0	\$0		
Jordan Leah Klein	Graphic Design Svcs	\$20,000	3/14/15	7/1/15	MBE: Best Efforts	0%	\$0		y	y
					WBE: Best Efforts	100%	\$20,000	100%		
					DSBE: Best Efforts	0%	\$0	\$20,000		
Personal Security Services	Cash Management	\$110,000	11/17/14	1/1/15	MBE:5-10%	100%	\$110,000		n	y
					WBE:5-10%	0%	\$0	100%		
					DSBE:0%	0%	\$0	\$110,000		

Contracts Summary (as of December 2015)

	FY11	FY12	FY13	FY14	FY15	FY16*
Total amount of contracts	\$1,128,965	\$1,955,524	\$1,176,409	\$1,303,904	\$1,548,183	\$1,422,597
Total amount to M/W/DBE	\$219,444	\$387,383	\$154,914	\$256,356	\$290,893	\$261,798
Participation Rate	19%	20%	13%	20%	19%	18%

* as of December 2015

FREE LIBRARY OF PHILADELPHIA – EMPLOYEE DATA

Staff Demographics (as of January 2016)

	<i>Full-Time Staff</i>			<i>Executive Staff*</i>	
	Male	Female		Male	Female
	African-American	African-American		African-American	African-American
<i>Total</i>	135	168	<i>Total</i>	0	0
<i>% of Total</i>	21.0%	26.1%	<i>% of Total</i>	0.0%	0.0%
<i>Average Salary</i>	\$37,693	\$39,020	<i>Average Salary</i>	N/A	N/A
<i>Median Salary</i>	\$37,172	\$39,342	<i>Median Salary</i>	N/A	N/A
	White	White		White	White
<i>Total</i>	110	185	<i>Total</i>	4	4
<i>% of Total</i>	17.1%	28.8%	<i>% of Total</i>	44.4%	44.4%
<i>Average Salary</i>	\$49,647	\$52,490	<i>Average Salary</i>	\$107,720	\$117,406
<i>Median Salary</i>	\$49,360	\$55,123	<i>Median Salary</i>	\$108,002	\$90,503
	Hispanic	Hispanic		Hispanic	Hispanic
<i>Total</i>	7	10	<i>Total</i>	0	0
<i>% of Total</i>	1.1%	1.6%	<i>% of Total</i>	0.0%	0.0%
<i>Average Salary</i>	\$40,606	\$45,337	<i>Average Salary</i>	N/A	N/A
<i>Median Salary</i>	\$39,542	\$39,593	<i>Median Salary</i>	N/A	N/A
	Asian	Asian		Asian	Asian
<i>Total</i>	9	12	<i>Total</i>	0	0
<i>% of Total</i>	1.4%	1.9%	<i>% of Total</i>	0.0%	0.0%
<i>Average Salary</i>	\$49,803	\$46,115	<i>Average Salary</i>	N/A	N/A
<i>Median Salary</i>	\$35,813	\$51,157	<i>Median Salary</i>	N/A	N/A
	Other	Other		Other	Other
<i>Total</i>	3	4	<i>Total</i>	0	1
<i>% of Total</i>	0.5%	0.6%	<i>% of Total</i>	0.0%	11.1%
<i>Average Salary</i>	\$35,808	\$33,437	<i>Average Salary</i>	\$0	\$106,088
<i>Median Salary</i>	\$36,290	\$32,224	<i>Median Salary</i>	\$0	\$106,088
	Bi-lingual	Bi-lingual		Bi-lingual	Bi-lingual
<i>Total</i>	26	36	<i>Total</i>	1	2
<i>% of Total</i>	5.1%	10.3%	<i>% of Total</i>	11.1%	22.2%
<i>Average Salary</i>	\$51,000	\$51,000	<i>Average Salary</i>	\$89,378	\$87,506
<i>Median Salary</i>	\$51,000	\$51,000	<i>Median Salary</i>	\$89,378	\$87,506
	Male	Female		Male	Female
<i>Total</i>	264	379	<i>Total</i>	4	5
<i>% of Total</i>	41.1%	58.9%	<i>% of Total</i>	44.4%	55.6%
<i>Average Salary</i>	\$43,343	\$45,910	<i>Average Salary</i>	\$107,720	\$115,142
<i>Median Salary</i>	\$55,123	\$59,450	<i>Median Salary</i>	\$108,002	\$90,603

*Exec Staff has 4 Exempt Employees, 3 of whom are on the Managing Directors payroll. All other Exec Staff members noted above are Civil Service positions.

Free Library of Philadelphia Board of Trustees - 19 filled seats of 22

	Minority	White
Male	6	3
Female	4	6

FREE LIBRARY OF PHILADELPHIA
APPENDIX (Other Relevant Data and Charts)

	Free Library (System Wide)	Total - All Divisions
Spanish	17	17
French	13	13
German	8	8
Arabic	1	1
Malayalam	8	8
Hindi	6	6
Gujarati	1	1
Cantonese & Mandarin	4	4
Punjabi	2	2
Russian	4	4
Tamil	4	4
Urdu	2	2
American Sign Language	1	1
Croatian	1	1
Farsi	1	1
Gujrathi	1	1
Haitian Creole	1	1
Hebrew	1	1
Hungarian	1	1
Italian	3	3
Japanese	3	3
Korean	1	1
Marathi	1	1
Polish	1	1
Slovak	1	1
Portugese	2	2
Setswana	1	1
Tagalog	1	1
Ukrainian	1	1
Wolof	1	1
Vietnamese	2	2
Italian	3	3
Albanian	2	2
Khmer	1	1
Romanian	1	1
Total # Bilingual Employees	62	62
# Languages	35	35