

**FREE LIBRARY
FISCAL YEAR 2016 BUDGET TESTIMONY
APRIL 7, 2015**

EXECUTIVE SUMMARY

DEPARTMENT MISSION AND FUNCTION

Mission: To advance literacy, guide learning, and inspire curiosity.

Description of Major Services: The Free Library meets its mission through the provision of a wide range of services, programs, and materials that meet the diverse needs of Philadelphia’s citizens. In the coming year, there will be a continued emphasis on children’s literacy, and building a high performing team.

PROPOSED BUDGET HIGHLIGHTS/FUNDING REQUEST

Budget Highlights: The Free Library is requesting \$41,001,988 for Fiscal Year 2016. This includes a \$803,908 increase from Fiscal Year 2015 to implement aspects of the Read! by 4th campaign, described in further detail below. In Fiscal Year 2015, the Free Library received a \$2.5 million increase to open all neighborhood libraries six days a week. There are currently 36 locations offering this higher level of service, and we anticipate that the remaining 11 will be open a sixth day by May. Funds have also been used to begin to restore the materials budget – including books, DVDs, e-books, and databases – which has suffered through the economic downturn.

Fund	Class	FY14 Actual	FY15 Current Projection	FY16 Proposed Budget	FY16-FY15 Change	FY16-FY15 Percent Change
General	100	30,801,445	35,443,344	35,777,252	333,908	0.9%
	200	2,716,996	2,752,077	2,922,077	170,000	6.2%
	300/400	2,031,862	2,002,659	2,302,659	300,000	15.0%
	Total	35,550,303	40,198,080	41,001,988	803,908	2.0%
	Positions	609	648	697	49	7.6%
Other*	100	1,346,239	1,125,717	1,226,084	100,367	8.9%
	200	3,819,236	3,655,600	3,921,223	265,623	7.3%
	300/400	3,040,322	3,156,051	3,366,737	210,686	6.7%
	Total	8,205,798	7,937,368	8,514,044	576,676	7.3%
	Positions	20	27	27	0	0.0%
All	100	32,147,684	36,569,061	37,003,336	434,275	1.2%
	200	6,536,232	6,407,677	6,843,300	435,623	6.8%
	300/400	5,072,184	5,158,710	5,669,396	510,686	9.9%
	Total	43,756,100	48,135,448	49,516,032	1,380,584	2.9%
	Positions	629	675	724	49	7.3%

* Other Funds includes: County Liquid Fuels Tax Fund, Special Gasoline Tax Fund, Healthchoices Behavioral Health Fund, Hotel Room Rental Tax Fund, Grants Revenue Fund, Community Development Fund, Car Rental Tax Fund, Housing Trust Fund, Water Fund, Water Residual Fund, Aviation Fund, and Acute Care Hospital Assessment Fund.

Staff Demographics Summary (as of December 2014)

	Total	Minority	White	Female
Full-Time Staff	646	375	271	387
Executive Staff	8	1	7	5
Average Salary - Executive Staff	\$106,387	\$0	\$106,387	\$109,630
Median Salary - Executive Staff	\$88,723	\$0	\$88,723	\$83,175

Employment Levels (as of December 2014)

	Budgeted	Filled
Full-Time Positions	697	646
Part-Time Positions	175	60
Executive Positions	10	8

Contracts Summary (*as of December 2014)

	FY10	FY11	FY12	FY13	FY14	FY15*
Total amount of contracts	\$726,935	\$1,128,965	\$1,955,524	\$1,176,409	\$1,303,904	\$998,425
Total amount to M/W/DBE	\$31,667	\$219,444	\$387,383	\$154,914	\$256,386	\$101,711
Participation Rate	4%	19%	20%	13%	20%	10%

PERFORMANCE, CHALLENGES AND INITIATIVES

DEPARTMENT PERFORMANCE (OPERATIONS)

In Fiscal Year 2016, we anticipate a decrease in several performance measures, such as circulation of materials, visits, hours open, and computer use within the Free Library. This is due to the planned closure and renovations of four locations – Lillian Marrero, Logan, Lovett Memorial, and Tacony – and the continued closure of one – South Philadelphia. These are the inaugural libraries in the 21st Century Libraries Initiative, described in detail below. While we will extend hours at nearby branches to accommodate customers of the closed locations, we do not expect this to entirely compensate for the temporary closures.

The Free Library is particularly proud of the continued dramatic increases in the number of virtual visits to its website. There has been an increase of more than 12% from FY13 to FY14 and a 66.8% increase since FY08. This is a clear reflection of the growing and changing demands for our services and the Library's ability to keep pace with those needs. Similarly, computer use continues to rise. The Free Library is the largest single provider of free internet access and public computers in Philadelphia, particularly important in a city that has relatively low residential internet access. The Free Library aims to increase virtual visits by 15% to 9.45 million in FY16.

Performance Measure	FY08	FY13	FY14	FY14- FY13 Change	FY14 Q1-Q2	FY15 Q1-Q2	FY15- FY14 Q1-Q2 Change	FY15 Goal	FY16 Goal
Circulation of library materials	7,037,694	6,579,053	6,502,087	-1.2%	3,326,677	3,423,590	2.9%	6,890,000	6,750,000
Visits	6,648,998	5,851,459	5,663,944	-3.2%	2,974,156	2,917,383	-1.9%	5,850,000	5,354,000
Virtual visits via FLP website	4,912,403	7,301,311	8,194,626	12.2%	3,798,705	5,191,771	36.7%	9,200,000	9,450,000
Hours open	110,224	95,769	99,782	4.2%	50,853	54,623	7.4%	110,785	105,285
Computer use within the Free Library	1,023,577	1,391,347	1,397,116	0.4%	723,996	738,105	1.9%	1,447,116	1,441,116

DEPARTMENT CHALLENGES

The pace of hiring continues to be a challenge. Bringing on new staff is a critical component of providing six-day service to the public, and delays in hiring are reflected in delays in meeting this goal. However, the Free Library anticipates that there will be six day service by May in all libraries.

ACCOMPLISHMENTS & INITIATIVES

The Free Library's work is guided by its strategic plan, which charts a path to ensure that we meet our mission and deliver the best possible service to Philadelphia's citizens. Two areas have received special emphasis over the past year, and will continue to be paramount in the coming one: children's literacy and building a high performing team. Examples of this work include:

Children's Literacy

LEAP: The Free Library's Afterschool Program is one of our flagship undertakings, serving nearly 70,000 children during the school year in neighborhood locations throughout the city. Children are assisted with their homework, gain direct literacy skills, and have the opportunity to use a computer and work independently. While LEAP remains a drop-in program so that any child can attend, the Free Library has begun to collect data on who the program serves. This is part of a larger city initiative, Building an Out-of-School Time (OST) System of Systems (BOOST), whose goal is to ensure that all Philadelphia children have access to out-of-school programs, activities, and opportunities, while driving towards continuous program quality improvement.

Read! by 4th: The Free Library has been selected as the backbone organization of the Read! by 4th campaign, part of a nationwide initiative to increase the number of students who can read on grade level by 4th grade. Fifty public and private organizations throughout the city have agreed to make early literacy a priority, and we look forward to expanding the number of partners significantly. These organizations have worked together to craft a detailed strategy for Philadelphia, aimed at annually increasing the share of students reading at grade level, with the ultimate goal of doubling the students prepared for 4th grade school work by 2020. Available data indicates that 54 percent of 3rd graders in the School District of Philadelphia were not reading on grade level in 2012. The

Free Library will take the lead on this campaign by coordinating and driving the process with the partners and by using and improving already successful programming for pre-school and school-aged children.

Building Bridges with Books: The Free Library was invited by the School District to partner with them on a pilot to support literacy development for children at the beginning of their school years. Kindergarten and first grade classes in ten schools will be paired with nearby libraries for intensive programming, regular class visits to the library, and librarian visits to the classroom, as well as parent engagement workshops and cooperative professional development between teachers and librarians.

Words at Play Vocabulary Initiative: In partnership with four other cultural organizations, the Free Library is developing a curriculum focusing on vocabulary development to teach family-based activities and techniques for encouraging word awareness in young children. The program will engage 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. Work will focus on the communities around the Cecil B. Moore and Widener neighborhood libraries in north Philadelphia.

Back to School Intensive Library Camp: To combat the summer slide and give students a jumpstart in returning to school, the Free Library will pilot a literacy-intensive camp program during the last three weeks in August. The program will run at four neighborhood libraries, and will enroll 15 first, second, and third graders at each location. This all-day program will be informed by research-based literacy instruction that is also fun and engaging.

Building a High Performing Team

21st Century Libraries: One of the most dynamic ways the Free Library can effectively reach its goals and provide excellent service to the citizens of Philadelphia is through its 21st Century Libraries Initiative, a program that aims to eventually renovate each of the 52 neighborhood libraries into state-of-the-art facilities that meet the ever-advancing technological and literacy-based needs of the public. Each library will have a unique service focus, based on the demand, feedback, and needs of its specific community. This year, work began on the South Philadelphia library at Broad and Morris Streets. It will be part of a campus that will include a city health clinic, a recreation center, and a branch of Children's Hospital. Collaborative programming is being planned now, much of which will have a health and wellness focus. In the coming year, work will begin on the Lillian Marrero, Logan, Lovett Memorial, and Tacony branches. This project was first supported by the Mayor and City Council with a \$4.5 million increase to the Free Library's capital budget, and a major gift has also been secured from the William Penn Foundation.

Clustering Libraries: In the last two years, the Free Library has adopted and begun implementing a new organizational structure focused on customer experience and community engagement. One of the key components of the new structure is the reorganization of libraries into eight clusters that share staff and resources. Particular focus is paid to forging deep relationships with community groups, schools and daycares, civic associations, other city institutions and elected officials in order to access public input and gain a thorough understanding of the services the community needs and wants. This model also provides the opportunity to reach sectors of the public who we specifically want to attract, such as children under 5 (and their families and school communities), job seekers, and new Americans, bringing the Free Library's range of services to a larger population. The cluster model allows the Library to decentralize programming and focus on what the community determines to be specific, neighborhood-based needs. The first six-library cluster, up and running since October 2013, is located in north Philadelphia, an area of acute need with high crime and low literacy rates. Two additional neighborhood library clusters were launched in 2014 – in the Lower Northeast and Far Northeast. The final five clusters will be in place in fall 2015.

New Staffing Models: In order to meet the changing needs of our customers and the goals in the strategic plan, the Free Library has developed two new job categories: digital resource specialists (DRS) and special collections curators. The former were developed in response to the growing number of customers who request digital and technological support – ranging from how to complete an on-line job application, to how to set up an email account, to how to download an ebook to a device. DRS will be tasked with working with these customers, as well

as organizing classes and training sessions. This new position has also created a promotional opportunity for Library Assistants.

The Free Library's special collections are among its greatest assets. A more focused and professional approach to collection stewardship will make these collections better known, introduce new audiences, and attract funding for exhibitions, programming, and preservation. Building an outstanding team of special collections curators will help to accomplish this for the Library's most valuable collections, including Rare Books, Maps, Prints and Pictures, the Fleisher Collection of Orchestral Music, and the Children's Literature Research Collection.

Also of Note

Program and Facilities Fund: The fourth floor of Parkway Central has been transformed into a spectacular conference and event space. There is a professional grade kitchen, which both supports the events while providing unique learning opportunities for children and adults.

Affordable Care Act Services: Since the kickoff of healthcare.gov in the fall of 2013, the Free Library has been working to help enroll citizens in health insurance plans, as mandated by the Affordable Care Act. During the 2013-14 open enrollment period, more than 35 staff members volunteered to become Certified Application Counselors and worked directly with consumers who needed insurance. Recognizing the importance of providing the service but wanting to offer more intensive expertise, the Free Library partnered with five expert healthcare organizations, for the 2014-15 enrollment period. Services were offered in twice as many libraries (22) in areas of greatest demand, connecting Library customers with health insurance experts for one-on-one help.

STAFFING

Staff Demographics (as of December 2014)

<i>Full-Time Staff</i>				<i>Executive Staff</i>			
	Male	Female		Male	Female		
	African-American	African-American		African-American	African-American		
<i>Total</i>	134	181	<i>Total</i>	0	0		
<i>% of Total</i>	20.7%	28.0%	<i>% of Total</i>	0.0%	0.0%		
	White	White		White	White		
<i>Total</i>	103	168	<i>Total</i>	3	4		
<i>% of Total</i>	15.9%	26.0%	<i>% of Total</i>	37.5%	50.0%		
	Hispanic	Hispanic		Hispanic	Hispanic		
<i>Total</i>	11	17	<i>Total</i>	0	0		
<i>% of Total</i>	1.7%	2.6%	<i>% of Total</i>	0.0%	0.0%		
	Asian	Asian		Asian	Asian		
<i>Total</i>	7	16	<i>Total</i>	0	0		
<i>% of Total</i>	1.1%	2.5%	<i>% of Total</i>	0.0%	0.0%		
	Other	Other		Other	Other		
<i>Total</i>	4	5	<i>Total</i>	0	1		
<i>% of Total</i>	0.6%	0.8%	<i>% of Total</i>	0.0%	12.5%		
	Bi-lingual	Bi-lingual		Bi-lingual	Bi-lingual		
<i>Total</i>	49	64	<i>Total</i>	2	3		
<i>% of Total</i>	7.6%	9.9%	<i>% of Total</i>	25.0%	37.5%		
	Male	Female		Male	Female		
<i>Total</i>	259	387	<i>Total</i>	3	5		
<i>% of Total</i>	40.1%	59.9%	<i>% of Total</i>	37.5%	62.5%		

CONTRACTING

**M/W/DBE Participation on Large Contracts
FY15 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	Living Wage Compliant ?
Philadelphia Municipal Authority	PC Lease - Central	\$257,280		7/1/13	MBE:	0%	\$0		y
					WBE:	0%	\$0	0%	y
					DSBE:	0%	\$0	\$0	y
Unique Management Services, Inc	Overdue mailing service	\$125,000		7/1/14	MBE:	0%	\$0		y
					WBE:	0%	\$0	0%	y
					DSBE:	0%	\$0	\$0	y
Verizon	Wide Area Network	\$1,034,700		7/1/13	MBE:	0%	\$0		y
					WBE:	0%	\$0	0%	y
					DSBE:	0%	\$0	\$0	y
Personal Security Services	Cash Management	\$50,000		1/1/15	MBE:	100%	\$50,000		y
					WBE:	0%	\$0	100%	y
					DSBE:	0%	\$0	\$50,000	y
Philadelphia Municipal Authority	PC Lease - Branches	\$312,372		1/1/14	MBE:	0%	\$0		y
					WBE:	0%	\$0	0%	y
					DSBE:	0%	\$0	\$0	y

OTHER BUDGETARY IMPACTS

FEDERAL AND STATE (WHERE APPLICABLE)

N/A

OTHER

N/A