

Budget Cuts and Their Impact on Library Services to Coloradans

January 2004

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Commissioned by the Strategic Issues and Emergency Response (SIER)
Committee of the Colorado Association of Libraries (CAL)



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by

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Summary

In fall 2003, a survey commissioned by the Strategic Issues and Emergency Response (SIER) Committee of the Colorado Association of Libraries (CAL) and administered by the Library Research Service (LRS) measured the extent of local budget cuts to libraries across Colorado. The Budget Cut Survey found that cuts to local library budgets in the state had totaled over 11 million dollars between July 2002 and the time of the survey.

Background

In May 2002, funding for several state programs was eliminated through a line-item budget veto. Libraries were hit hard by these cuts – losing a total of \$4,469,285 in cuts, effective July 1 of that year. Included in these cuts were the following:

- The Colorado Resource Center (CRC) was eliminated. The CRC, housed in the Denver Public Library (DPL) for almost 30 years, allowed DPL to freely lend their books to other libraries in the state, offer free walk-in service to all Colorado residents, and provide free reference service across the state via telephone, fax, and email.
- State grants for materials were eliminated. These grants provided at least \$3,000 to every publicly funded library in the state and made possible the purchase of high-quality commercial databases and over 100,000 books per year.
- The Payment for Lending program was eliminated. This program reimbursed libraries that lent high volumes of books to other libraries,

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enabling library patrons to borrow books from library collections throughout the state.

In the wake of these cuts, as the economy continued to sputter, state library resources were further diminished. Institutional library materials expenditures were cut by nearly \$80,000, the materials budget for the Talking Book Library was reduced by nearly \$20,000, and the Colorado Virtual Library lost almost \$15,000. Perhaps most crippling, nearly two million dollars was cut from the state's Regional Library Systems, dropping the total budget for this program to around \$600,000. These cuts forced the closure of two system offices, left three systems operating without a director, and drastically reduced service abilities. The following are services traditionally offered via the Regional Library Systems:

- Courier service among libraries statewide that allowed libraries to lend books to patrons in other jurisdictions
- Statewide discount purchasing plan
- Professional materials collections
- Access to DuPage teleconferences
- OCLC No-stop Inter-Library Loan service
- Consulting for schools in the Power Library project
- Assistance in getting library holdings listed on The Colorado Virtual Library, enabling easier Inter-Library Loan service

In total, Colorado State Library funding was cut over \$6.5 million between June 2002 and June 2003. This decrease represented a 79 percent reduction in its budget. In fall 2003, when economic forecasts were finally turning positive

and the economic spiral had possibly hit its nadir, the Strategic Issues and Emergency Response (SIER) Committee of the Colorado Association of Libraries (CAL) commissioned the Library Research Service (LRS) to measure the extent and effects of budget cuts to libraries in the state. In an attempt to measure local cuts that libraries have experienced in addition to the state cuts, SIER and LRS sent a survey to libraries asking them to detail their cuts since July 1, 2002.

Methodology/Respondents

To obtain as broad a view of the situation as possible, library directors and their associates in libraries of all types were asked to respond to the survey. Requests were sent to via email to directors of public, academic, school, and special libraries, culling professional email lists and addresses given in response to annual state surveys to develop a list of potential respondents. The survey consisted of nine questions. The first three were demographic, requesting the name, county, and type of responding libraries. The next two dealt with the fiscal severity of budget cuts, asking libraries to give the percentage and dollar amount of budget cuts. Questions six and seven requested information about the impact that budget cuts had on services the libraries were able to offer. The eighth question asked for strategies that were being used to deal with the budgetary situation, and the final question was an open-ended appeal for other comments regarding their budgetary situation. See Appendix A for an example of the survey.

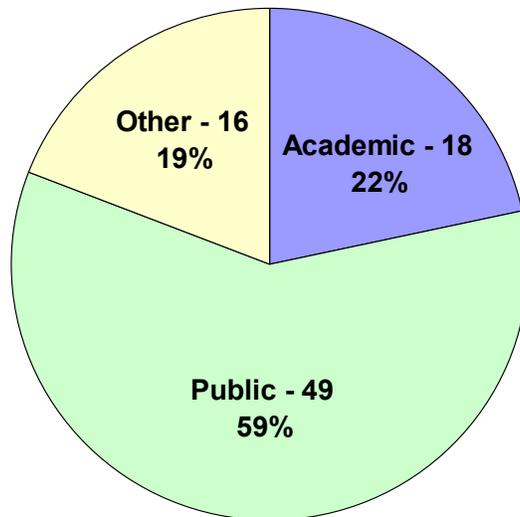
In total, 83 valid responses were received from libraries in 46 of Colorado's 66 counties. Responses came from public, academic, school, and

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special libraries. Public libraries responded to the survey in greatest numbers, followed by academic libraries. Other types of libraries (school libraries responding at both the district- and building-level and special libraries) responded in smaller numbers. See Chart 1 for a breakdown of responding libraries.

Of the state's 115 public library jurisdictions, 49 responded (43%). These 49 libraries represented a wide cross-section of the state's public libraries – ranging from large urban libraries to small rural ones. However, larger libraries were more likely to respond, as evidenced by the fact that the 49 responding libraries serve a total of three million Coloradans – roughly two-thirds of the state population.

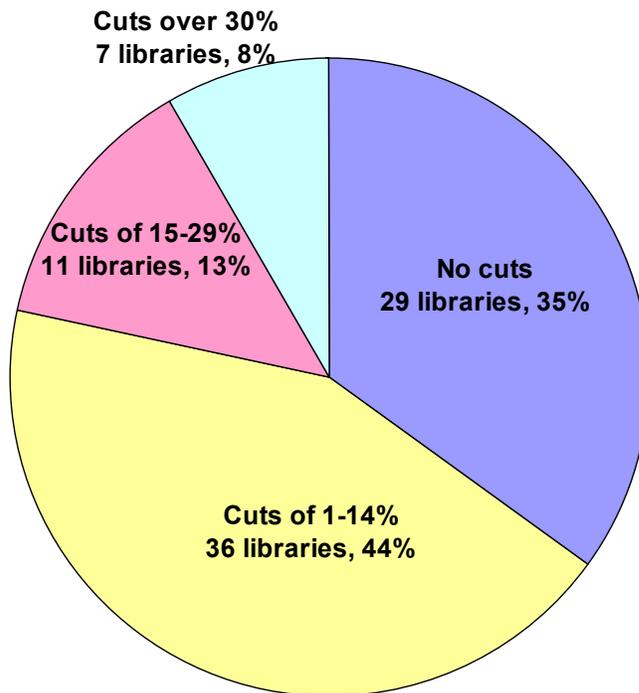
Chart 1: Respondent Libraries



General Findings

The severity of budget cuts ranged from libraries reporting no cuts (or budget increases) to one library that reported over 50 percent of their operating budget being cut. The largest number of respondents – 36 libraries (44%) – reported budgetary decreases of less than 15 percent. Another 29 libraries, or 35 percent of respondents, reported that their library had received no cuts. Chart 2 illustrates the severity of cuts as reported by libraries.

Chart 2: Severity of Budget Cuts to Colorado Libraries



Fifty-one of the 83 libraries that responded to the Budget Cut Survey reported cuts at some level since July 1, 2002. Cuts reported by these libraries totaled \$11,021,826 – an average of over \$200,000 cut per reporting library. Of course, some libraries received cuts much larger than this figure, and some much smaller. Reported budget cuts are listed in Table 1.

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Table 1: Reported Budget Cuts by Colorado Libraries, since July 1, 2002

Adams State College Nielsen Library	\$15,202
Aguilar Public Library	\$4,500
Akron Elementary Library	\$3,000
Akron Public Library	\$6,000
Arapahoe Library District	\$1,144,369
Aspen School District	\$3,100
Auraria Library	\$1,000,000
Boulder Public Library	\$1,087,000
Colorado State University	\$1,035,358
Colorado State University- Pueblo	\$99,244
Community College of Aurora Instructional Resource Center	\$20,000
Cortez Public Library	\$43,000
Corwin Middle School	\$500
Delta County Public Library District	\$50,000
Denison Memorial Library UCHSC	\$500,000
Denver Public Library	\$2,991,796
East Cheyenne County Library District – Cheyenne Wells	\$9,000
East Morgan County Library District - Brush	\$5,000
Elizabeth School Libraries	\$5,000
Englewood Public Library	\$130,000
Fleming Community Library	\$8,000
Fort Collins Public Library	\$200,000
Fort Morgan Public Library	\$10,000
Front Range Community College, College Hill	\$216,000
Jefferson County Public Library	\$140,000
John F. Reed Library Fort Lewis College	\$212,111
Kiowa County Public Library District - Eads	\$6,000
La Veta Public Library District	\$6,000
Lafayette Public Library	\$7,500
Las Animas-Bent County Library District	\$9,000
Longmont Public Library	\$171,136
Loveland Public Library	\$180,000
Lyons Depot Library	\$102
Miami-Yoder School	\$2,044
Monahan Library - Northeastern Junior College	\$32,750
North Park School District R-1	\$4,000
Northern Chaffee County Library District – Buena Vista	\$3,000
Nucla Public Library	\$4,573
Park County Public Library – Bailey	\$40,000
Penrose Community Library District	\$10,341
Red Feather Mountain Library District	\$3,000
Red Rocks Community College Marvin Buckels Library	\$66,000
Rocky Ford Public Library	\$6,000
Southern Teller County School/Public Library District – Cripple Creek	\$5,200
Summit County Library – Frisco	\$47,000
Trinidad State Junior College	\$9,000
UCCS Kraemer Library	\$104,000
University of Colorado at Boulder	\$1,122,000
University of Northern Colorado	\$50,000
Vail Public Library	\$75,000
Westminster Public Library	\$120,000
Total	\$11,021,826

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The majority of responses to the Budget Cut Survey came from public and academic libraries (67 of the 83 responses – 81%). These types of libraries were also most likely to report having been hit hard by budget cuts since July 1, 2002. Table 2 shows a breakdown of the severity of budget cuts to each type of library.

Table 2: Magnitude of Cuts to Colorado Libraries since July 1, 2002, by Type of Library, Percentages and Number of Respondents

Type of Library	No cuts	Cuts of 1-14%	Cuts of 15-29%	Cuts over 30%	Total
Academic	22% (4)	56% (10)	22% (4)	0% (0)	100% (18)
Public	32% (16)	47% (23)	10% (5)	10% (5)	100% (49)
Other	56% (9)	19% (3)	13% (2)	13% (2)	100% (16)
All Responses	35% (29)	44% (36)	13% (11)	8% (7)	100% (83)

As demonstrated above, while about two-thirds (65%) of all libraries reported budget cuts at some level since July 1, 2002, more than three-fourths

“In addition to the budget cuts of 5.3%, we have realized an increase in student enrollment of 30% without resources to support the extra students.”

- UCCS Kraemer Library

(78%) of academic libraries reported budget cuts. Public libraries, as well, reported a higher likelihood of receiving budget cuts than the other types of libraries (school and special).

Chart 3 illustrates the greater likelihood of academic and public libraries to suffer in terms of staffing and public service. Notable in Chart 3 are the following:

- At least one-third of responding academic libraries reported cuts in the number of hours of operation and in the number of hours that the library is staffed.
- Perhaps most glaring is that nearly half (44%) of responding academic libraries reported having fewer employees other than librarians working

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than they had on July 1, 2002. Public libraries have been similarly, if to a lesser extent, impacted, as 16 percent reported this impact.

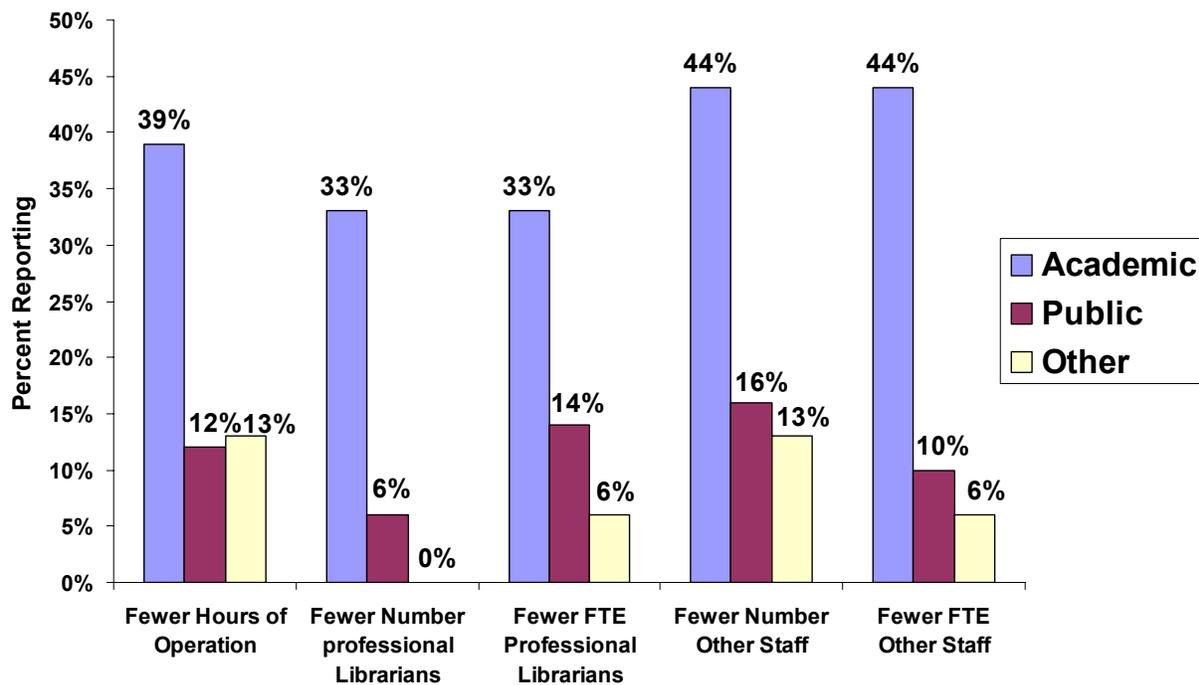
- More than 10 percent of public and academic libraries that responded reported decreased hours and fewer FTE (full-time equivalents) of

“We have lost all professional librarians in our buildings.”

- Elizabeth School Libraries

professional librarians and other staff. Respondents from other types of libraries reported cuts that were not as drastic.

Chart 3: Staffing Adjustments by Type of Library



The budget situation has increased in intensity over the past few years. A series of questions in the survey asked libraries to identify strategies that they have used in the three most recent fiscal years to deal with their budget cut situation. The list of strategies included approaches such as closing branches, reducing hours of operation, layoffs, delaying purchases, reduction of benefits,

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and other cost-saving tactics. Each of the 19 strategies listed in the survey was reported as being used more in FY 2003-04 than in FY 2001-02. Furthermore, only four of the possible strategies were used more frequently in FY 2003-04 than in FY 2002-03. These four strategies were:

- Increasing Fines (seven libraries reported using this strategy in 2002-03 as opposed to six libraries in 2003-04),
- Layoffs (eight in 02-03, four in 03-04),
- Encouraging Early Retirement (eight to four)
- Replacing Employees with Contractors (two to one).

“We will have lost 40% of our materials budget from 2002 to 2004”

- Summit County Library

Three strategies were reported by over 30% of respondents as being implemented in fiscal year 2003-04. The main areas in which libraries, across types and across the state, seem to be cutting back are in the amount of materials purchased, the purchase of technology-related items, and the amount of staff travel allowed. Strategies for reduction in these areas, as well as the increase in use of these strategies, are represented in Charts 4, 5, and 6.

Reduction in collection development and technology will have a detrimental effect on library patrons. Smaller materials budgets and the postponement of technology purchases will mean fewer options for library users to find information in either paper or electronic formats. Reduced staff travel will limit training opportunities for librarians, as travel to professional conferences and workshops will be limited. Again, it is notable that academic libraries are most likely to use these strategies, with over half of the academic libraries reporting reductions in both materials purchased and staff travel for FY 2003-04.

Chart 4: Buying Fewer Materials

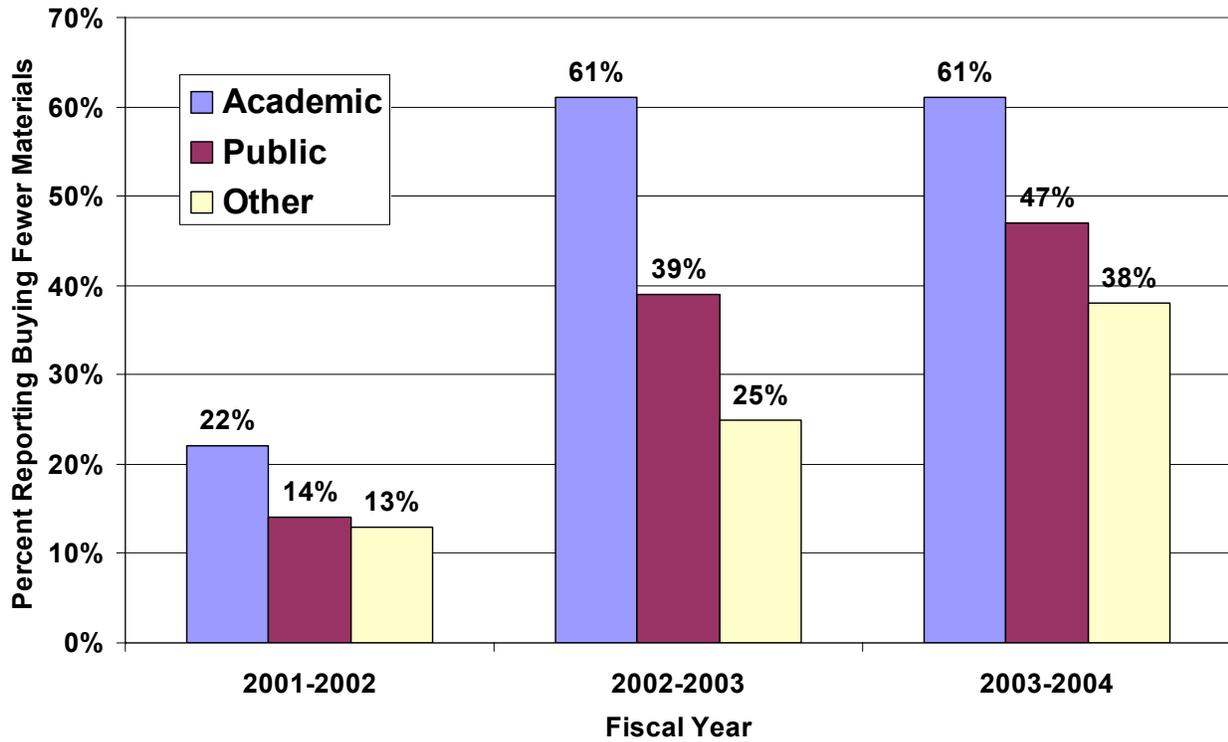


Chart 5: Postponing Technology-Related Expenses

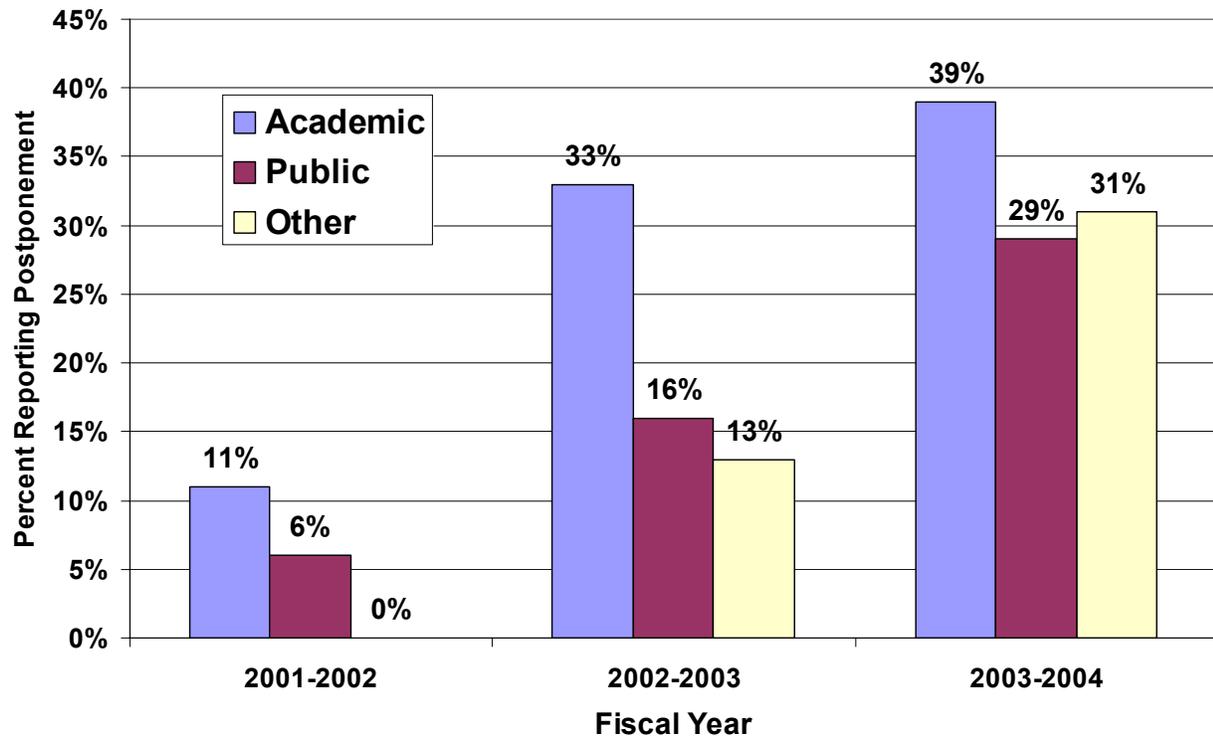
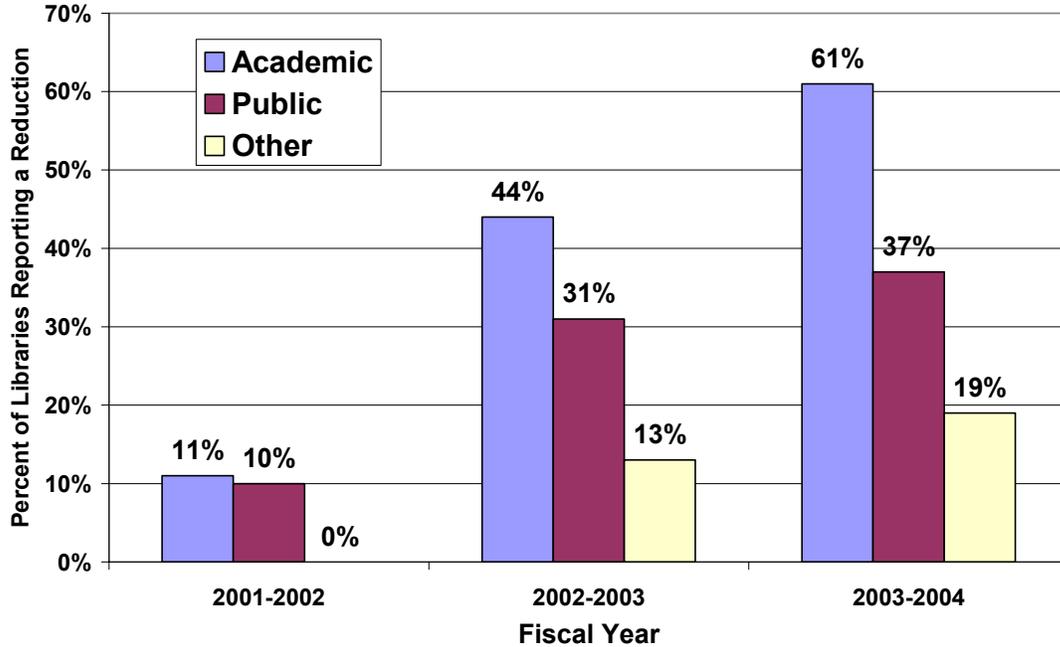


Chart 6: Reduction of Staff Travel Budgets



Public Libraries

Over half of the responses to the Budget Cut Survey came from public libraries. The 49 public library jurisdictions that responded to the survey represent 43% of the state's 115 jurisdictions and serve roughly three million people – approximately two-thirds of the total state population. These public libraries reported a total of \$6,522,517 lost since July 1, 2002. This equals about \$2.18 cut per person served. If the public libraries that responded to the Budget Cut Survey are representative of all public libraries in the state, total cuts to public libraries have probably reached \$9.5 million.

There is not a strong correlation between the size of a library's legal service area population and the magnitude of its budget cuts, but smaller, rural

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libraries – especially those serving populations of fewer than 5,000 – were slightly more likely to be substantially affected. As illustrated in Chart 7, all three

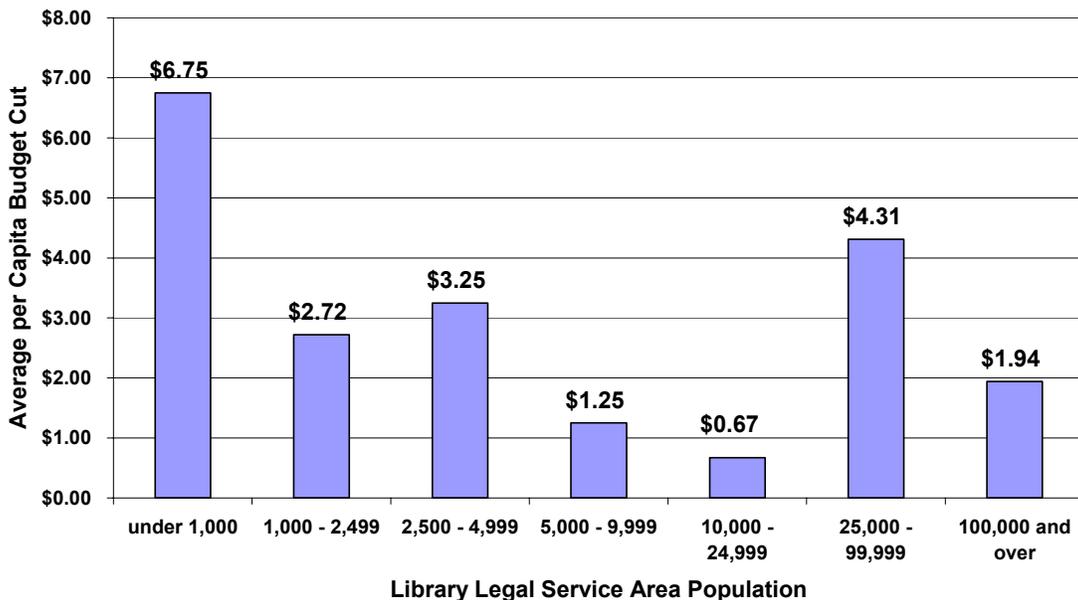
categories of libraries serving fewer than 5,000 (those serving under 1,000, serving 1,000-2,499, and serving 2,500-4,999), the average cut was over \$2.50 per person served. For larger libraries, the only population range where this number was

“We will be reducing hours of operation, buying fewer materials, reducing staff travel, laying off paid employees and anything else we can think of to meet our budget limitations. For the only library servicing the public in this county, the cuts will have a negative impact. We are the only source of public access computers, copiers, Internet, etc. in the community.”

- East Cheyenne County Library District

over \$2.00 was for libraries serving 25,000-99,999. Significant cuts to the Boulder Public Library (equaling nearly \$11.50 per person served) brought this group to such a high figure. Similarly, large cuts to the Denver Public Library and Arapahoe Library District pushed the per capita cuts up to nearly \$2.00 for the largest group of libraries.

Chart 7: Average per Capita Budget Cuts to Colorado Public Libraries, by Size



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Forty-five of Colorado's 115 library jurisdictions (39%) are library districts.

Generally, library districts are funded through a voter-approved property tax.

This has tended to provide three critical advantages in the current fiscal climate.

First, property tax revenues are relatively stable, especially compared to the general fund revenues that provide the income for many other public library jurisdictions. Second, library districts benefit from voter-approved funding levels which

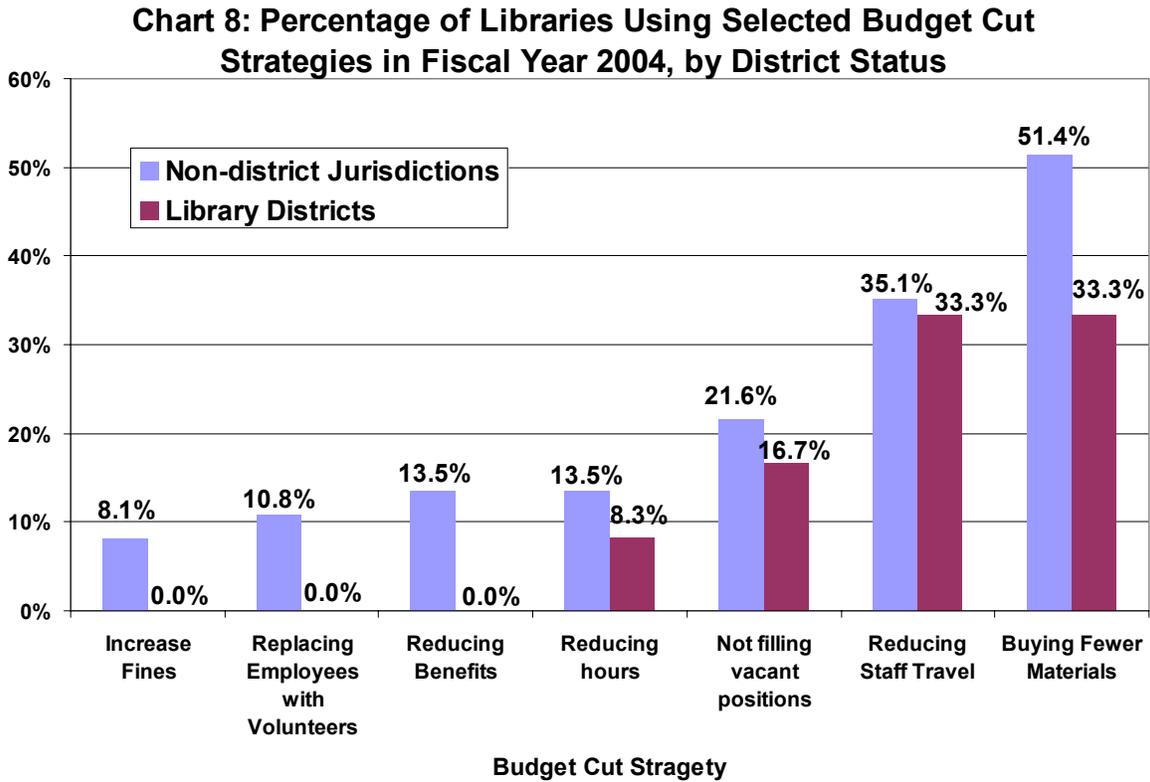
"For a small rural library, the budget cuts have been a real disaster. We can no longer update our collection, have cut back on paid staff, cannot offer programs, etc. What a mess!!"

- Aguilar Public Library

are generally higher than those approved by city or county officials. Third, since they are autonomous from the localities in which they exist, their local funding is not vulnerable when local revenue declines. It would thus be expected that library districts would struggle less during this time of economic stress.

Responses to the Budget Cut Survey show this to be the case. The 12 library districts that responded to the survey serve a total population of 883,286 and reported a total of \$1,230,710 cut since July 1, 2002. The average cut per person for these districts is \$1.39. On the other hand, responding non-district public library jurisdictions reported a total budget cut of \$5,291,807 for the 2,106,863 Coloradans that they serve, or an average of \$2.51 per capita. In other words, according to the responses to the Budget Cut Survey, non-district public library jurisdictions are getting hit nearly twice as hard as library districts. Only one-third of the library districts that responded to the survey stated that they would purchase fewer materials to counteract budget cuts in fiscal year 2004, while over half of the non-district jurisdictions reported using this strategy. In

fact, non-district public library jurisdictions reported heavy use of many tactics, as shown in Chart 8.



Conclusion

The Budget Cut Survey received responses from a variety of libraries indicating an assortment of budgetary experiences, ranging from hardly feeling the effects of the current economy to being hit almost fatally by difficult budgetary situations. By and large, academic and public libraries – primarily those that are not library districts – reported rather extreme measures being taken to help deal with continuing budget cuts. Library districts, which are funded by dedicated

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taxes, fared slightly better than non-district libraries that must compete for funding with other local services.

Colorado's libraries now have less money than they used to, and this will affect library patrons in a variety of ways. There will be fewer new books purchased by libraries, which means longer waiting lists for popular items and an increased likelihood that more esoteric items will not be purchased. There will be fewer quality databases available at libraries, or remotely from home. Interlibrary loan services will take longer, and will more often be denied. Libraries will be open fewer hours, and staffing levels will be lower during the hours that they are open. In addition, there is a good chance that fines and fees will be increased.

Libraries have long had a reputation for being able to stretch dollars, and numbers from the Budget Cut Survey suggest that they are still being pressured to do so. One can only guess how far libraries can stretch before being spread too thin.

Appendix A: Questionnaire Distributed to Responding Libraries



A Survey on Colorado Library Budget Cuts

This survey is being conducted by the Strategic Issues and Emergency Response (SIER) Committee of the Colorado Association of Libraries (CAL). It is intended to measure the impact of recent state and local budget cuts. Please complete all items as accurately as possible, and submit the completed survey by October 1, 2003. If you have any questions about this survey, please contact CAL Executive Director Kathleen Sagee Noland (telephone: 303-463-6400, e-mail: kathleen@cal-webs.org).

1. Library Name

2. County

3. Library Type (Mark One)

Academic	Public	School (building)	School (district)	Special	Other
<input type="radio"/>					

4. If your library has experienced budget cuts since July 1, 2002, please indicate the total percentage cut since that date by selecting one of the following. (NOTE: If you mark the first response, "no budget cuts or budget increases," skip to item 9.)

No budget cuts or budget increases	Less than 5% cut	5-9%	10-14%	15-19%	20-24%	25-29%	30-34%	35-39%	40-44%	45-49%	50% or more
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

5. If your library has experienced budget cuts since July 1, 2002, what is the total dollar amount lost since that date? Count funds lost from all sources through the current fiscal year. Report whole dollars only. Estimate to the nearest thousand, if you wish, but end your entry with '000' to indicate that you did so. Do NOT enter any formatting (minus sign, dollar sign, comma separator, decimal point). If your library has not experienced budget cuts, skip to question 9.

6. If, as a result of budget cuts since July 1, 2002, your library has reduced its hours of operation or level of staffing, report the number of service hours, employees, and/or FTEs lost since that date. (Notes: Professional librarians are those with MLS or equivalent degrees in academic, public, or special libraries, and those with Library Media Endorsements in school libraries; FTE = Full-Time Equivalents = 40 hours per week)

ENTER NUMBERS, DO NOT SIMPLY MARK THESE FIELDS.

As a result of recent budget cuts, this library has ...

<input type="text"/>	Fewer hours of operation per week (all outlets)
<input type="text"/>	Fewer professional librarians
<input type="text"/>	Fewer FTE of professional librarians
<input type="text"/>	Fewer other library employees (including hourly student workers--academic only)
<input type="text"/>	Fewer FTE of other library employees (including hourly student workers--academic only)
<input type="text"/>	Fewer work study students (academic only)
<input type="text"/>	Fewer FTE of work study students (academic only)

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7. Please indicate any change in the following statistics associated with state and/or local budget cuts that were in effect on or after July 1, 2002. Programs include bibliographic instruction and other instruction, whether for credit or not, as well as other library-sponsored events. (Mark one per row.)

	Decreased	About the same	Increased	Not Applicable
Number of public access computers	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Library visits (gate count)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Reference questions	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Total circulation (including renewals)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
CLC circulation (including renewals)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Number of programs	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Total attendance at programs	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Interlibrary loans to other libraries	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Interlibrary loans from other libraries	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

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8. Which of the following strategies have been used or are being used by your library to cope with budget cuts? (Mark all that apply.)

	FY 2001-02	FY 2002-03	FY 2003-04
Reducing hours of operation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Closing outlets (main library, branch, bookmobile)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Not filling vacant positions	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Encouraging staff to retire early	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Furloughing current employees	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Laying off paid employees	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Reducing paid employee benefits	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Replacing paid employees with contractors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Replacing paid employees with volunteers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Reducing staffing levels at specific service points (e.g., circulation, reference, ILL)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Increasing fines	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Charging fees for selected services	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

8. (Continued) Which of the following strategies have been used or are being used by your library to cope with budget cuts? (Mark all that apply.)

Eliminating or reducing staff travel

Buying fewer materials

Dropping out of or reducing participation in state database contract

Postponing other technology related expenses

Dropping out of or reducing participation in courier service

Delaying building program (new or additions)

Delaying capital purchases other than building and technology

9. What else do you think we should know about your library's fiscal position? Are budget cuts impacting the library negatively in ways not indicated elsewhere in this survey? Also, in what ways, if any, is your library's fiscal situation running counter to the general downward trend?

