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# PERFORMANCE AUDIT

## Library Services for the Blind and Physically Handicapped

Board of Regents  
of the University System of Georgia  
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Performance Audit Operations Division  
Department of Audits and Accounts

254 Washington St., SW  
Atlanta, GA 30334

## Background

The overall purpose of the Georgia Regional Library for the Blind and Physically Handicapped (the Regional Library) and its 13 sub-regional libraries is to provide library services to blind and physically handicapped citizens of Georgia. Through these libraries, patrons have access to books-on-tape (talking books) and special playback equipment, Braille materials, and reader advisory services. Patrons who are not able to visit one of the libraries in person may obtain talking books and other materials through the mail. As shown in Exhibit 4 on page 3, the state is divided into 14 service areas, with each area served by either the Regional Library or one of the sub-regional libraries.

The Georgia Regional Library for the Blind and Physically Handicapped was established in 1931 as part of the National Library Service for the Blind and Physically Handicapped (NLS). The sub-regional libraries were established in the 1970s. NLS provides copies of books and magazines in Braille and on cassette and provides the necessary playback equipment at no cost to the state or eligible users. The Regional Library and the sub-regional libraries may make additional copies of the NLS talking books to meet local demand. Currently, NLS has about 375,000 titles, including both fiction and non-fiction. The books selected for recording by NLS are similar to those found in an average public library.

### How are NLS talking books different from commercial books on tape?

Talking books are recorded on cassette in a specialized format and require special playback equipment to listen to them. The specialized format prohibits unauthorized users from using and duplicating cassettes. This gives publishers and authors some assurance that NLS recorded books will not be distributed in a way that affects their commercial viability. An additional advantage of NLS talking books is that all of the recordings are unabridged.

## Program Administration

The Library Services for the Blind and Physically Handicapped is administered by the Georgia Public Library Service (GPLS) within the Board of Regents of the University System. As the state library agency for Georgia, GPLS' purpose is to provide assistance, information, and materials to meet the needs of local communities throughout the state, including the needs of visually impaired and disabled citizens.

The Georgia Public Library Service (then known as the Division of Public Library Services) was located in the Department of Education until July 1996, at which time it was transferred to the De-

partment of Technical and Adult Education (DTAE) and re-named the Office of Public Library Services. The Office was then transferred to the Board of Regents in July 2000; its name was subsequently changed to the Georgia Public Library Service in 2001. In addition to the movement of GPLS among different agencies, the position of State Librarian (responsible for overseeing GPLS) was vacant from 1995 through September 2001.

## Eligibility

To be eligible for services from the Regional Library or a sub-regional library, patrons must be certified by a physician or other “competent authority” as having a reading disability or an inability to read standard print material due to a visual or other physical condition. The majority of eligible patrons are elderly people who have lost their vision later in life. NLS has estimated that 1.4% of the total U.S. population is eligible for NLS services.

## Regional Library

Located in Atlanta, the Regional Library serves as the direct provider of library services to patrons residing in 16 counties in the metropolitan Atlanta area. In addition, the Regional Library is also designated as the state’s coordinator of library services for the blind and physically handicapped. The Regional Library’s state-wide responsibilities include:

- providing consultant services to the sub-regional libraries;
- maintaining a back-up collection of talking books with appropriate reserves for filling inter-library loan requests;
- developing a collection of local and special interest materials available for duplication by the sub-regional libraries;
- maintaining a tape duplication facility;
- assisting sub-regional libraries with training staff and volunteers;
- coordinating the development of programs and services among the sub-regional libraries;
- assisting sub-regional libraries in planning and coordinating workshops for local librarians, civic groups, volunteers, and special interest groups; and,
- developing and coordinating area-wide publicity and public relations efforts.

**Exhibit 1**  
**Regional Library**



The Regional Library maintains a collection of approximately 50,000 recorded cassette titles and 5,000 titles in Braille. The Library also has approximately 19,000 playback machines, of which 17,824 have been provided to active patrons (as of March 2002). To make NLS materials more accessible to patrons, the Regional Library maintains small collections of talking books, playback equipment, and other materials in such places as nursing homes, public libraries, and rehabilitation centers. These deposit collections serve to improve both access to and awareness of the available NLS services. The majority of the Regional Library’s circulations are done through the mail rather than through walk-in services.

## Sub-regional Libraries

The state's 13 sub-regional libraries, often referred to as Talking Book Centers, are housed in local public libraries. The photographs in Exhibits 2 and 3 below show a reading room for blind and physically handicapped patrons and stacks of talking book cassettes in the LaFayette and Savannah sub-regional libraries, respectively.

**Exhibit 2**

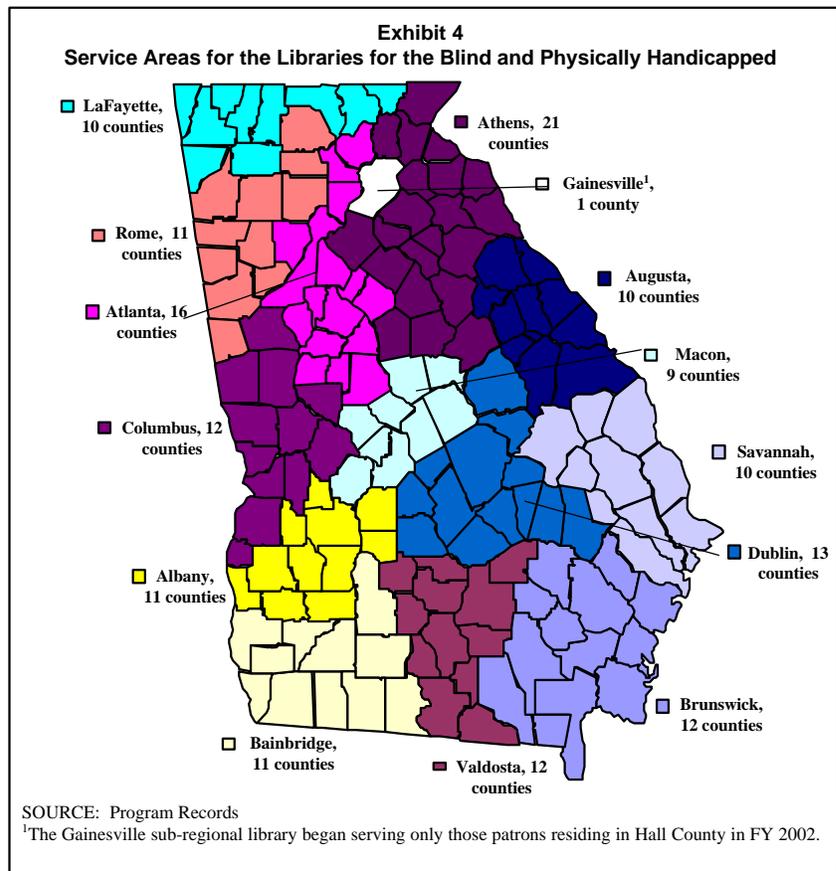


**Exhibit 3**



As shown in the map in Exhibit 4, the sub-regional libraries are located in Albany, Athens, Augusta, Bainbridge, Brunswick, Columbus, Dublin, Gainesville, LaFayette, Macon, Rome, Savannah, and Valdosta. Each sub-regional library serves patrons in one or more public library systems within its service area.

The sub-regional libraries provide many of the same services as the Regional Library; however, their collections are generally smaller than the Regional Library and are primarily comprised of recorded books provided by NLS. Some sub-regional libraries also have limited collections of large-print books, Braille books and magazines, and descriptive video (i.e., movie videos that contain descriptions of the action occurring on screen that is not explained in the movie dialogue). In addition, the sub-regional libraries maintain their own deposit collections in places such as nursing homes, libraries, and rehabilitation centers. Like the Regional Library, the majority of the sub-



regional libraries' circulations are handled by mail.

The primary responsibilities of the sub-regional libraries include:

- providing mail and walk-in recorded book service;
- assisting patrons with the selection of books;
- registering new patrons;
- maintaining readership and circulation statistics and reporting them to the Regional Library;
- publicizing services to encourage use by eligible patrons; and
- developing a corps of volunteers to produce reading materials unavailable from other sources.

## Staffing and Funding

The Regional Library is staffed with seven full-time positions, including a coordinator/regional librarian, two reader advisors, one office manager, and a warehouse supervisor. The sub-regional libraries have staff sizes ranging from 1.5 to 4.3 full-time positions. It should be noted that staff located at the sub-regional libraries report to the director of the public library system that hosts the sub-regional library. The directors of each of these library systems report to their own local boards of trustees, not GPLS or the Regional Library.

Library services for the blind and physically handicapped are funded through a combination of state and federal funds. The Regional Library is funded with federal grant funds provided to GPLS for general administrative costs. In fiscal year 2001, the Regional Library expended approximately \$286,000. There is also a Library for the Blind and Physically Handicapped Trust Fund which contains charitable donations that have been made to the Library; as of January 2002, the balance was \$11,823.

The sub-regional libraries are funded through state-aid grants administered by GPLS. The funding formula used to allocate funds to the sub-regional libraries is comprised of a base grant of \$10,000, plus \$32 per registered reader and \$.63 per circulation. In fiscal year 2001, expenditures totaled approximately \$1.2 million. The sub-regional

<b>Exhibit 5</b>		
<b>FY 2001 and 2002 State Aid to Sub-regional Libraries</b>		
	<b>FY 2001 Actual <u>Expenditures</u></b>	<b>FY 2002 Budgeted <u>Expenditures</u></b>
<b>Albany</b>	\$80,662	\$76,135
<b>Athens</b>	130,217	139,958
<b>Augusta</b>	92,436	96,334
<b>Bainbridge</b>	97,300	88,593
<b>Brunswick</b>	130,841	118,041
<b>Columbus</b>	51,604	47,056
<b>Dublin</b>	98,315	103,914
<b>Gainesville/Hall<sup>1</sup></b>	74,061	0
<b>LaFayette</b>	79,180	100,378
<b>Macon</b>	131,478	142,111
<b>Rome</b>	80,594	84,570
<b>Savannah</b>	64,848	57,918
<b>Valdosta</b>	<u>66,408</u>	<u>58,966</u>
<b>Total</b>	<b><u>\$1,177,944</u></b>	<b><u>\$1,113,974</u></b>

Source: GPLS  
<sup>1</sup> The Gainesville sub-regional library began serving only those patrons residing in Hall County in Fiscal Year 2002. As a result, it no longer receives state aid.

libraries' fiscal year 2001 expenditures and 2002 budgeted expenditures are shown in Exhibit 5. The libraries' expenditures do not include the cost of the talking books, the playback equipment, or the other materials provided by NLS. These items are loaned free-of-charge by NLS. Similarly, the cost of mailing library materials and equipment to the sub-regional libraries and to patrons is free-of-charge, as required by federal law.

Because each sub-regional library (other than Gainesville) serves patrons in two or more public library systems, the host library systems are not required or expected to provide any additional funding to supplement the state funding. Ten of the host library systems, however, provide their sub-regional libraries with some form of voluntary in-kind support.

As indicated in Exhibit 5, no funds were budgeted for the Gainesville sub-regional library for fiscal year 2002. In February 2000, the library notified GPLS that it was no longer interested in serving patrons outside Hall County due to inadequate state funding. As a result, beginning with fiscal year 2002, the Gainesville sub-regional library began serving only those patrons residing in Hall County. Eleven counties that had previously been served by the Gainesville sub-regional library have been divided among the Regional Library in Atlanta and the LaFayette and Athens sub-regional libraries. Although it no longer receives state aid, the Gainesville sub-regional library still receives NLS talking books and playback equipment for circulation to its patrons.

## **Activity Data**

Approximately 667,000 materials were circulated to 16,200 visually impaired and disabled patrons in fiscal year 2001. Of these materials:

- 64% (428,349) were talking books (books-on-tape);
- 21% (139,586) were newsletters;
- 5% (35,338) were large-print books;
- 9% (62,133) were magazines (on tape); and
- 0.2% (1,581) were Braille materials (generally used by the small percentage of patrons who learned Braille as a result of having been visually impaired since birth).

In addition, approximately 168,000 materials were circulated through the deposit collections located in libraries, nursing homes, rehabilitation centers, etc.

## **National Library Service and Other States**

The NLS Network of Libraries for the Blind and Physically Handicapped is a confederation of 57 regional libraries, 81 sub-regional libraries, and two multi-state centers located throughout the United States. Every state except Wyoming has a library that is part of the NLS network of libraries.

The service delivery structure of library services for the blind and physically handicapped in each state varies. Thirty states have one regional library that serves the entire state and two states have two regional libraries that serve the entire state. Seventeen states, including Georgia, have one or more regional libraries and sub-regional libraries. Georgia has the largest number of sub-regional libraries, with 13. Sub-regional libraries were promoted by NLS in the 1960s and 1970s as a way to increase visibility of the program and to increase the connection between the service and patrons.

# **Audit Scope and Methodology**

The primary objectives of this audit were to determine:

- if library services are administered in an efficient and effective manner throughout the state;
- if there is adequate managerial oversight of library services on a statewide basis;
- if there is a continued need for the current service delivery structure of one main library (the Regional Library) and 13 sub-regional libraries;
- if the method of allocating funds to the Regional Library and sub-regional libraries is equitable and results in their receiving the funds they need to provide a basic level of services;
- if the Regional Library is operating effectively as a statewide coordinator of services; and,
- how other states are providing library services to the blind and physically handicapped.

While GPLS was located in DTAE, a comprehensive study of library services provided to Georgia residents with special needs was conducted by the Himmel and Wilson Library Consultants. Shortly after the Study was completed in June 2000, GPLS was transferred from DTAE to the Board of Regents. The extent to which the problems identified in the Himmel and Wilson Study still exist was addressed as part of this audit.

The audit also considered three questions that were posed by the Budgetary Responsibility Oversight Committee in 1999 in conjunction with a request for a program evaluation of the Library Services for the Blind and Physically Handicapped. The program evaluation was not conducted at the time because of the Himmel and Wilson Study. The Committee's three questions were:

- Is there redundancy between services provided by the Georgia Learning Resource System (GLRS) and the 13 sub-regional libraries for the blind and physically handicapped?
- Are library funds allocated to the regions in an equitable manner?
- Do the libraries coordinate their services with the Regional Education Service Agencies (RESAs)?

The Committee's question regarding the allocation of library funds was addressed as part of the audit and is discussed in the Recommendations and Agency Responses section of this report. Our analysis of the Regional Library and the sub-regional libraries also determined, however, that the services they provide are unlike the services provided by GLRS and the RESAs. The Regional Library and sub-regional libraries primarily provide general reading materials to elderly adults, which is different from the textbooks and other materials provided the students served by GLRS and the RESAs.

The audit was conducted in accordance with generally accepted government auditing standards for performance audits and focused on fiscal year 2001. The audit methodology included interviews with GPLS staff as well as on-site interviews at the Regional Library and each of the 13 sub-regional libraries. In addition, files and records provided by GPLS, the Regional Library, and the sub-regional libraries were reviewed. Information was also obtained regarding other states' library services for the blind and physically handicapped.

This report has been discussed with the appropriate personnel representing the Board of Regents of the University System of Georgia. A draft copy was provided for their review and comment; pertinent responses have been included in the report as appropriate.

## Recommendations and Agency Responses

### Summary Recommendation

**Action should be taken by the Board of Regents to implement a more efficient and effective system for providing library services to the state's blind and physically handicapped citizens.**

Our review of the Library Services for the Blind and Physically Handicapped found a lack of organizational responsibility and direction, a service delivery system that is outmoded, and a funding mechanism that is ineffective and out-of-date. Each of these areas is briefly discussed below and is addressed in more detail in the remainder of this report.

- Although the sub-regional libraries are an integral part of the Library Services for the Blind and Physically Handicapped, they are not organizationally responsible to the Board of Regents nor are they subject to any type of contractual obligation. The sub-regional libraries are answerable only to the library system in which they are located, with the result that the state has little control over their operations, even though it provides all or a substantial percentage of their operating funds (other than the Gainesville sub-regional library).
- As noted in the Study conducted by the Himmel and Wilson Library Consultants, having 13 sub-regional libraries each maintain extensive collections of books-on-tape and each fill patrons' requests for books and other materials is not the most efficient service delivery system. By taking advantage of available technology, a system could be implemented that would enable eligible patrons to go to any library in the state, request books online, and have them sent to them from a central location.
- The current funding mechanism does not serve to ensure that all of the sub-regional

libraries provide a minimum level of service throughout the state. The funding formula, which is not addressed in the Board's policies, has not been updated in at least 12 years (according to a long-time GPLS employee). Ten of the sub-regional libraries receive some form of voluntary, in-kind support from their host library system. Four of these libraries rely on local support for 28%-46% of their operating budgets.

Specific areas in which improvements are needed in the management, operations, and funding of the Library Services for the Blind and Physically Handicapped are addressed in more detail on the following pages of this report. It should be noted that many of the problems discussed in this report were identified in the Himmel and Wilson Study released in June 2000. At the time of our audit, no action had been taken to address the Study's recommendations.

*In its written response to the audit report, the Board of Regents indicated its concurrence with the audit recommendations and noted the actions that have been taken or will be taken by the Georgia Public Library Service (GPLS) to effect improvements. More detailed information regarding the Board's response is provided at the end of each of the following recommendations as appropriate.*

### Library Management

#### Recommendation No. 1

**The sub-regional libraries should be subject to additional oversight and accountability.**

With the exception of the Gainesville sub-regional library, the libraries are funded by the state but are not subject to the state's direction or control, either organizationally or

contractually. The sub-regional libraries are not required to comply with written policies and procedures as a condition of receiving their annual funding.

- Each of the sub-regional libraries reports to the director of the public library system in which the sub-regional library is located. Although all of the sub-regional libraries fulfill patrons' requests for books and periodicals, they are not required to comply with a uniform standard of service prescribed by the state. The sub-regional libraries, for example, are not required to maintain a minimum number of deposit collections or to conduct a minimum number of outreach programs. GPLS personnel have indicated that a draft of policies and procedures for the sub-regional libraries was prepared but not adopted because the directors of the library systems that host the sub-regional libraries objected to the word *policy*.
- Although a service agreement between the administering agency (then DOE) and the sub-regional libraries was drafted in 1996, no formal contractual agreement between the state and the sub-regional libraries has ever been established. According to GPLS staff, the library directors who host the sub-regional libraries *strongly opposed* the proposed contracts.

Action should be taken to provide increased managerial oversight over the operations of the sub-regional libraries. As recommended in the Himmel and Wilson Study, consideration should be given to establishing contractual agreements with the sub-regional libraries (or the host library systems) to ensure that a basic level of services is available to patrons and to hold the libraries accountable for the use of state funds.

*In its written response to the audit report, the Board of Regents indicated that it concurred*

*with the recommendation to provide additional oversight regarding the operations of the sub-regional libraries. The Board noted, for example, that GPLS would work, in a contractual arrangement with the libraries, to draft policies that would incorporate the National Library Service (NLS) policies with the policies for the Library Services for the Blind and Physically Handicapped.*

## **Recommendation No. 2**

### **Action should be taken to enable the Regional Library to fulfill its responsibilities as the statewide coordinator of Library Services for the Blind and Physically Handicapped.**

Currently, the Regional Library staff is primarily focused on serving patrons in its 16-county service area, rather than serving as a leader and coordinator of services on a statewide basis. As a result, the sub-regional libraries tend to operate independently of one another with little or no coordination of effort.

While the Regional Librarian attempts to fulfill the Library's statewide responsibilities, the Librarian does not have the resources to coordinate the development of programs and services among the sub-regional libraries; assist sub-regional libraries in planning and coordinating outreach activities; or develop and coordinate sub-regional and area-wide publicity and public relations efforts. Interviews with staff at the sub-regional libraries indicated, for example, that they would like to meet at regular intervals to share ideas and solve problems, and would like to have a coordinated, statewide publicity campaign to promote awareness of the library services that are available for blind and physically handicapped citizens.

By fulfilling its statewide responsibilities, the Regional Library would serve to ensure that the activities of the sub-regional libraries were conducted in a more coordinated man-

ner. Implementation of this recommendation would be facilitated by establishing a separate budget for the Regional Library (as discussed in a subsequent Recommendation).

*The Board noted in its written response that it concurred with the recommendation and would request additional staff positions for the Regional Library. The Board also noted that the new GPLS public relations coordinator would assist with a statewide publicity campaign to promote the Library Services for the Blind and Physically Handicapped.*

### **Recommendation No. 3**

#### **Consideration should be given to developing a long-range plan for providing library services for the blind and physically handicapped.**

Currently, GPLS does not have a plan that includes goals and measurable objectives to guide the provision of services for the blind and physically handicapped. In addition, GPLS does not require the sub-regional libraries to develop plans as a condition of receiving state funding.

According to NLS standards and guidelines, *each network library shall develop a comprehensive long-range plan designed to develop, coordinate, maintain and improve services and programs and to make optimum use of resources.* With the support of GPLS, the Regional Library should take the lead in coordinating and facilitating the development of a long-range plan for the state. At a minimum, the plan should include measurable goals and objectives regarding readership, outreach, and patron satisfaction.

*In its written response, the Board noted that GPLS will begin working on a long-range plan and will define specific goals to promote expanding services for persons with special needs. The Board also indicated that GPLS would work to organize the new Library Consumers' Advisory Council and would use the Council to assist in long-range planning.*

## Library Operations

### **Recommendation No. 1**

#### **The Board of Regents should reevaluate the current service delivery structure for providing library services to blind and physically handicapped citizens of Georgia.**

Currently, the state relies on a decentralized service delivery model for all of the library services provided to the blind and physically handicapped. Each of the 13 sub-regional libraries as well as the state's Regional Library maintain collections of books-on-tape and fill patrons' requests to have specific titles mailed to them. In addition to being inefficient, this decentralized system has not resulted in Georgia having a higher percentage of its blind and physically handicapped readers use the library services.

- As noted by the Himmel and Wilson Study, Georgia's decentralized system has resulted in each of the 13 sub-regional libraries functioning like a mini-regional library. Our on-site visits to the sub-regional libraries verified that the sub-regional libraries are primarily focused on fulfilling patrons' book orders rather than conducting outreach programs to inform blind and handicapped citizens of the available services.
- Although Georgia has the highest number of sub-regional libraries in the country, it still has only average readership rates when compared to other states. Of the other 48 states that participate in the NLS system, 32 do not have any sub-regional libraries and only nine states have more than two sub-regional libraries. In 1999, about 13.93% of Georgia's blind and physically handicapped citizens were registered to receive library services, only about 1/10 of 1% more than the national average (13.85%).

The Board of Regents should consider imple-

menting the service delivery model recommended by the Himmel and Wilson Study. In the proposed model, the responsibility for maintaining the collection of books-on-tape and for filling patrons' requests for books would be centralized in the Regional Library. The sub-regional libraries would be responsible for providing reader advisory services, for conducting outreach services, and for maintaining small deposit collections in public libraries and other facilities. In addition to being more efficient, this type of service delivery model would permit the sub-regional libraries to focus their efforts on increasing the number of blind and physically handicapped citizens who are aware of and use the libraries' services.

*The Board of Regents indicated in its response that it concurs with the recommendation and that GPLS will reevaluate the current service delivery structure.*

**Recommendation No. 2**

**The Board of Regents should take steps to make library services more accessible to the blind and physically handicapped.**

Although public library facilities are located in every county in the state, eligible patrons are not able to obtain talking books or other NLS materials from most public libraries. The sub-regional libraries have established deposit collections in fewer than half of the state's public libraries. In addition, staff at public libraries cannot process talking book requests on behalf of blind and physically handicapped persons using the libraries' computer systems. As a result, patrons must visit or call the sub-regional library serving their area.

- Action should be taken to encourage the sub-regional libraries to increase the number of public libraries that have deposit collections of talking books and other NLS materials. Information provided by the sub-regional libraries indicates that

only 48% (177) of 371 public libraries have deposit collections. Patrons in 53 of Georgia's 159 counties do not have access to a deposit collection in any public library in their county.

A **deposit collection** is a small collection of NLS talking book titles and playback equipment.

- Consideration should also be given to providing on-line access that would allow patrons to order books, with the assistance of a librarian, at any public library in the state via the Internet. The current software used by all but one of the sub-regional libraries (READS II) is designed as a stand-alone system. READS II cannot be accessed by patrons, public libraries, or other sub-regional libraries via the Internet. According to Himmel and Wilson, *the design of the READS II system will prevent Georgia's network libraries from moving to a consolidated system that will allow booking of materials to take place by librarians and by individual patrons located throughout Georgia.*

Several states, including Florida, Illinois, North Carolina, Alabama, and Mississippi, have implemented a consolidated/shared automation system called KLAS (Keystone Library Automation System) for their libraries for the blind and physically handicapped. In addition to allowing patrons to order books via the Internet, KLAS would allow the process of filling book orders to be centralized; thereby enabling the sub-regional libraries to focus on providing outreach services.

Action should be taken to make library services for the blind and physically handicapped more accessible. Increasing the number of public libraries with deposit collections (containing, for example, current bestsellers and other popular works) would enable more blind and physically handicapped citizens to

obtain books at their local public library. Establishing a system to enable books to be ordered over the Internet would also serve to improve accessibility.

*In its written response, the Board noted that the Keystone Library Automation System (KLAS) will be implemented as a pilot program at the Regional Library and one sub-regional library by December 31, 2002. The Board also indicated that GPLS intends to have a deposit collection in every county within a two-year period.*

### **Recommendation No. 3**

**Additional action should be taken to promote awareness of the library services that are available to blind and physically handicapped citizens on a statewide basis.**

Currently, the staff of the sub-regional libraries have limited time and resources to devote to outreach efforts. In fiscal year 2001, there were no reported outreach programs in 98 (62%) of the state's counties. The NLS Network Library Manual, however, specifies that sub-regional libraries are responsible for publicizing the services they provide to encourage their use by as many eligible patrons as possible, and for coordinating their services with local agencies serving blind and physically handicapped readers.

The limited outreach activities may also explain in part why the number of registered readers in Georgia is no higher than other states (even though Georgia has more sub-regional libraries than other states). An analysis of registered readers for 2001 revealed that only about 16,200 (15%-20%) of the blind and physically handicapped persons in Georgia are registered to use the library services available to them. The estimated number of persons eligible for service ranges from 79,600 (using 1990 census data regarding the percentage of each county's population that is unable to read newsprint) to 110,000 (based on NLS' estimate that 1.4% of the population is eligible for services).

Additional steps should be taken to promote awareness of the library services that are available to the blind and physically handicapped. Specific goals for increasing readership and providing outreach should be included as part of a long-range plan for services in Georgia.

*The Board indicated in its written response that GPLS will create a long-range plan that includes goals for promoting the library services. It was also indicated that the new public relations coordinator will work to promote awareness of the library's services.*

### **Recommendation No. 4**

**Consideration should be given to finding a new location for the Regional Library.**

Although the Regional Library is responsible for providing library services to blind and physically handicapped citizens in 16 counties in metropolitan Atlanta, it is located in a warehouse in an area of abandoned buildings, light industry, and other warehouses. As indicated by the Himmel and Wilson Study, the problems with the Regional Library are *the location of the building, the condition of the building and the terrible equipment that is provided.* (For a virtual tour of the Regional Library on the World Wide Web, please go to <http://www2.state.ga.us/Departments/audit/pao/rlbph.wmv>.)

The current facility does not provide expected basic library conditions, such as adequate climate control and a well-lit, secure, and comfortable environment. Although accessible by public transportation, patrons must cross one street and three sets of railroad tracks to get to the entrance of the library from the bus stop. The exterior doors of the building are not marked with any signs to indicate the location of the Regional Library, making it difficult for first-time visitors to find the library's entrance. Large trees line the wheelchair ramp and have grown into the ramp space. In addition, there are bullet holes in the library windows, and, according to staff, it is not uncom-

mon to find rat droppings on the floor in between the stacks. There is also evidence of a leaky roof in the machine storage room, as well as in parts of the warehouse.

According to Regional Library staff, alternative library locations have been researched by GPLS, but an affordable building within the perimeter on the MARTA rail line could not be found. It should be noted that the 13 sub-regional libraries are each housed within a public library facility. An arrangement similar to that of the sub-regional libraries should be considered for the Regional Library, even if the majority of the Library's large collection were to remain in a warehouse facility for filling mail orders. According to the NLS Network Library Manual, *making the Regional Library part of a larger library unit encourages the entire family to use the library simultaneously, permits the sharing of appropriate personnel, and provides ready access to reference materials and other relevant information.*

Steps should be taken to find a new facility that is adequate for walk-in patrons. According to an NLS publication entitled That All May Read, *the facilities used by state-agency administered regional libraries are often accurate barometers of the agency's commitment to library services for blind and physically handicapped persons.*

*In its response, the Board indicated its concurrence with the need for a new facility and noted that its budget for fiscal year 2003 includes \$150,000 for a facility needs study.*

#### **Recommendation No. 5**

**The sub-regional libraries should be commended for the quality of service they provide their patrons.**

A review of the patron satisfaction surveys conducted by some of the sub-regional libraries in fiscal year 2001 revealed that patrons were generally satisfied with the services they had received. A survey conducted by the

Athens sub-regional library, for example, found that 148 (99%) of 149 survey respondents were satisfied or quite satisfied with the services they had received. Of 67 patrons who responded to a survey conducted by the Columbus sub-regional library, 66 (99%) indicated they were satisfied with the library services they received. The Himmel and Wilson Study also found that patrons served by the sub-regional libraries reported a very high level of satisfaction with the services.

## Library Funding

### **Recommendation No. 1**

**Action should be taken by the Board of Regents to ensure that the grant funds provided the sub-regional libraries are sufficient to meet the library needs of the state's blind and handicapped citizens.**

The amount of grant funds provided the sub-regional libraries is not based on, and may not reflect, the actual costs incurred by the sub-regional libraries to provide a basic level of service. In addition, the funding formula used by the Board has not been updated in at least 12 years, with the result that the amount received by the sub-regional libraries has not kept pace with the increased cost of goods and services. State law, however, specifies that the *Board of Regents shall make adequate provisions for staff, supplies, services, and facilities to ... meet the library needs of the blind and disabled citizens of this state.*

- Currently, each sub-regional library receives a base amount of \$10,000 plus \$32 per reader and \$0.63 per circulation. However, GPLS staff do not know when the dollar amounts were established or the basis for the dollar amounts. The grant amounts are not formally documented in the Board's policy manual; the only available information regarding the grant amounts was obtained through the personal knowledge of a long-time GPLS employee.

Basing the funding formula on the number of readers and circulation would be appropriate if most of the grant funds were used to purchase books and other materials. A slight increase in the grant amounts resulting from an increase in readership and circulation could, for example, be used to purchase additional books. Because the books-on-tape and the playback equipment are provided at no cost by NLS, however, most of the sub-regional libraries' expenses are for personal services (not for books or other materials). The small changes in funding that occur from year to year are only enough to pay for a fraction of a position.

- Because the funding formula has reportedly not been updated in at least 12 years, the purchasing power of the grant amounts received by the sub-regional libraries has declined substantially. Based on the change in the Consumer Price Index since 1990, the \$10,000 base grant is worth \$7,310 as of April 2002, (in 1990 dollars). Similarly, the \$32 provided per reader and the \$0.63 provided per circulation are worth \$23.39 and \$0.46, respectively. Overall, the \$1.15 million in grant funds for fiscal year 2003 is worth \$841,000 (27% less) in 1990 dollars.
- Absent any *voluntary* support from their host library system, many of the sub-regional libraries would not be able to provide the level of service they currently provide. Our on-site reviews found that four of the sub-regional libraries rely extensively on the in-kind support received from their host library systems. The amount of in-kind support received by these four libraries (in the form of personal services) ranges in value from approximately \$46,000 to \$71,500 and comprises 28%-46% of their operating costs.

Other host library systems are reluctant to subsidize the operations of their sub-

regional library since it provides services to patrons from outside the host library system. (The Regional Library and the 13 sub-regional libraries serve patrons in 58 public library systems.) As previously noted, the Gainesville sub-regional library discontinued serving other counties in fiscal year 2002 due to the reluctance of the Hall County-Gainesville Library System to continue subsidizing the sub-regional library.

The Board of Regents should determine the amount of funds needed by each of the sub-regional libraries to provide a basic level of service and should revise the funding formula as necessary. Whatever formula is adopted by the Board should be included in its policy and procedures manual.

*In its response, the Board noted that GPLS would continue to request additional funding for the library services and would consider making adjustments to the funding formula.*

#### **Recommendation No. 2**

**Action should be taken to ensure that the activity data reported by the sub-regional libraries is accurate.**

Almost 90% of each sub-regional library's state-aid grant is based on reported data regarding the number of registered readers and circulations. The only way for sub-regional libraries to increase the amount of state aid they receive is to increase the number of registered readers and circulations they report. While this creates an incentive for circulation and patron data to be manipulated, GPLS has not implemented internal controls for verifying the accuracy of the reported data.

Based on our review of the data submitted by sub-regional libraries, we have no assurance that the circulation and patron data, which is used as the basis for allocating \$1.2 million in state funds each year, is accurate. As discussed in the following paragraphs, the audit team analyzed the annual data submitted by

<b>Exhibit 6</b>			
<b>Fiscal Year 2001 Readership and Circulations per Patron</b>			
<b>Sub-regional Library</b>	<b>% of Eligible Patrons that are Registered</b>	<b>Total Circulations<sup>1</sup> per Patron</b>	<b>Talking Book Circulations<sup>1</sup> per Patron</b>
A	23%	71	36
B	19%	38	27
C	29%	43	26
D	34%	19	11
E	35%	76	61
F	8%	28	25
G	29%	114	19
H	17%	57	35
I	43%	30	19
J	11%	58	42
K	17%	14	14
L	17%	40	26

Source: Fiscal Year 2001 Annual Reports

<sup>1</sup> Circulations do not include items circulated through deposit collections.

Note: The Gainesville sub-regional library and the Regional Library are not included because they do not receive state funds.

the sub-regional libraries for fiscal year 2001, compared the annual data with the monthly reports submitted by the sub-regional libraries, and conducted on-site interviews at each of the sub-regional libraries.

- As shown in Exhibit 6 above, our analysis of fiscal year 2001 data submitted by the sub-regional libraries revealed significant and questionable differences among the sub-regional libraries. For example, the percentage of eligible patrons served by the sub-regional libraries ranged from 8% to 43%; the total number of circulations per patron ranged from 14 to 114. Similarly, the talking book circulation per reader ranged from 11 to 61. It was also noted that one sub-regional li-

brary reported that approximately 55,000 newsletters were circulated to 387 patrons within one county in its service area (an average of almost 12 newsletters per patron per month). Another sub-regional library reported that in one of its counties each patron received an average of 367 talking books per year (more than 14 times the statewide average). For another sub-regional library, nine of the 10 counties it serves had approximately the same number of audio books per patron during the year (which raises the question as to whether actual or approximate circulations were reported).

- A comparison of the annual data submitted by the sub-regional libraries with the

monthly data they reported to the Regional Librarian also revealed significant differences. One sub-regional library, for example, reported 87,891 total circulations in its annual report compared to a total of 106,136 circulations that were reported in the monthly reports submitted to the Regional Library. In another case, a sub-regional library reported a total of 1,333 registered readers on its annual report; the total number of readers per its monthly reports was only 1,038, a difference of 295 readers. At \$32 per reader, this difference represents a funding difference of \$9,440.

- On-site visits to the sub-regional libraries found that at least eight of the libraries increase the number of registered readers prior to the end of the fiscal year by sending one book to each patron who has not requested any books during the year. It was also found that at least two sub-regional libraries include inter-library loans from the Regional Library in their reported circulations. Instead of having the book sent directly to the patron who requested it, these sub-regional libraries have the book sent to them and they, in turn, mail it to the patron.

Action should be taken to implement internal controls for ensuring that the sub-regional libraries report data accurately and consistently. Action should also be taken to clarify what constitutes a *registered reader* and a *circulation*.

*In its written response, the Board identified a number of specific actions that will be taken by GPLS to address this recommendation.*

### **Recommendation No. 3**

**Consideration should be given to adequately funding and staffing the Regional Library.**

Currently, the Regional Library does not have its own operating budget and is not funded or

staffed adequately to carry out its dual role as a 14<sup>th</sup> sub-regional library and as the statewide coordinator of library services. As noted by the Himmel and Wilson Study, *...the funding available to [the] Regional Library severely restricts what it is able to do beyond providing basic services to the ... counties it serves directly... The Regional Library has not been funded at a level that allows it to assume the leadership and coordination roles expected of it under the ...NLS Standards.*

Based on fiscal year 2001 circulations and registered readers, it is estimated that the Regional Library would receive \$179,000 if funded in the same manner as the other sub-regional libraries. Assuming that \$179,000 of the Library's total budget of \$286,000 is expended to fulfill its responsibilities as a sub-regional library (and excluding the \$75,000 rental payment), only \$32,000 is available for the Library to fulfill its responsibilities as a coordinator of services.

The Board of Regents should take steps to determine the cost of having the Regional Library function as the 14<sup>th</sup> sub-regional library as well as serve as the statewide coordinator of library services. The Regional Library should then be funded accordingly.

*The Board indicated in its response that it will work toward establishing the Atlanta area as the 14<sup>th</sup> sub-regional library and set up a separate budget for the Regional Library.*

### **Recommendation No. 4**

**Steps should be taken to utilize charitable donations made to the Library for the Blind and Physically Handicapped Trust Fund.**

Although the Library for the Blind and Physically Handicapped Trust Fund has a balance of approximately \$11,800, GPLS staff indicated that expenditures from the Fund have not been made in several years. As a result, GPLS has not fulfilled its responsibility to

donors and library patrons by using the money donated to the Fund. Steps should be taken to identify various ways in which the money can be best used.

*In its response, the Board noted that GPLS will be working to ensure that the Funds are expended in an appropriate manner for the benefit of the library patrons.*

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