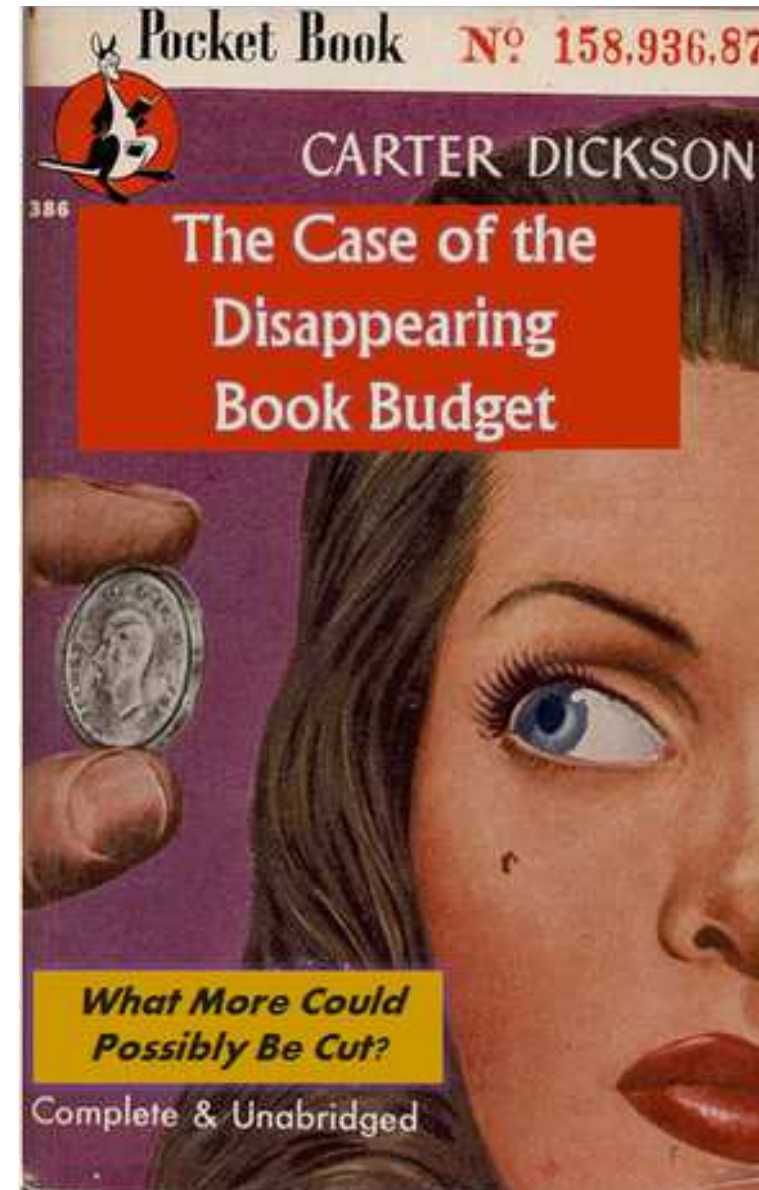


Outcome Based Budgeting for Beginners

LLAMA Webinar
March 23rd 2016
Kathy Makens



Kathy Makens

@kmakens

kmakens@dconc.gov

Resources and Finance Officer for Durham County Library

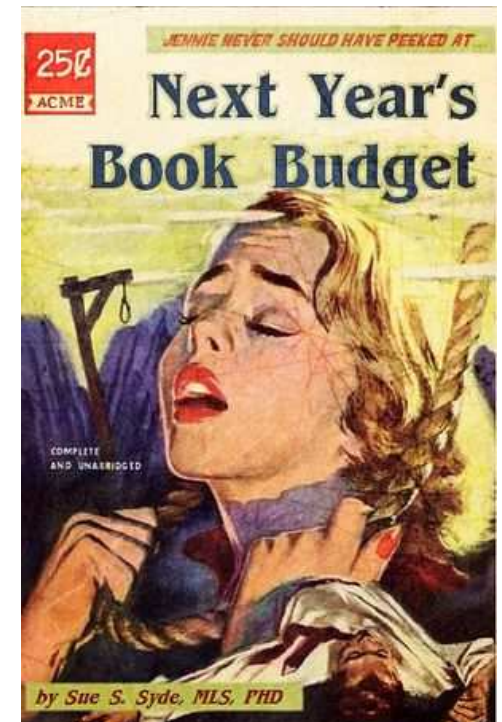
Oversee budget of \$11 million plus

Supervise Library IT, Technical Services, Finance, and Archives divisions

Service population around 288,000

How Did Your Budget Fare This Fiscal Year?

Increased
Decreased
Stayed Flat or Close to Flat



What We Will Cover

Common Mistakes

What Works

Using Data to Make Your Case

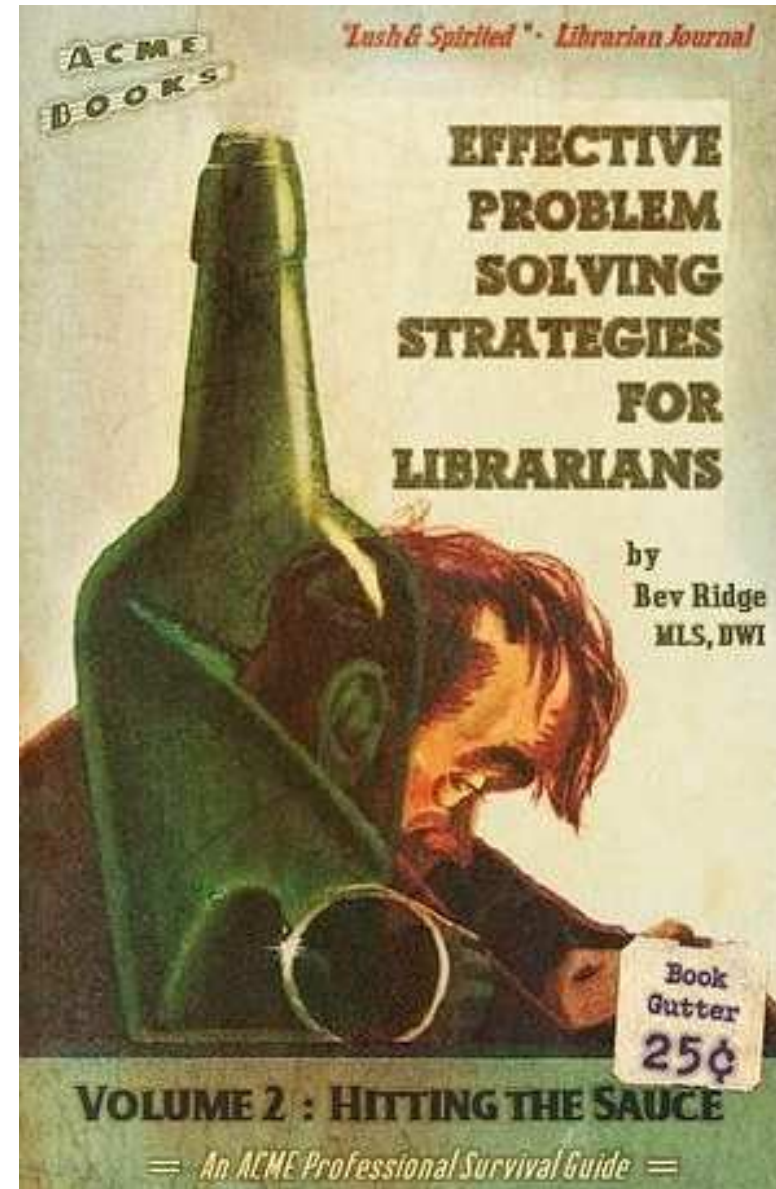


Common Problems

Not tailoring the request to the audience

Justifying our requests with appeals to emotion without meaningful data

Funders making decisions based on their preconceptions of libraries





What Works

Cost to Use Alternatives	\$45,070,981
Lost Use	\$1,276,292
Direct Local Expenditures	\$521,854
Compensation for Library Staff	\$5,837,903
Halo Spending	\$4,231,672
<hr/>	
Total Return on Investment	\$56,938,701
Local Investment	\$9,478,231

Return per Dollar Invested \$6.01

Rebranding the library in context of your political environment

Showing how the work of the library supports your funders' goals

Show the return on investment (ROI) of the library

Decide on what measurables your stakeholders want as a team

Outcome or Performance Based Budgeting

Translates the work of the library into a form that someone without any knowledge of libraries can understand

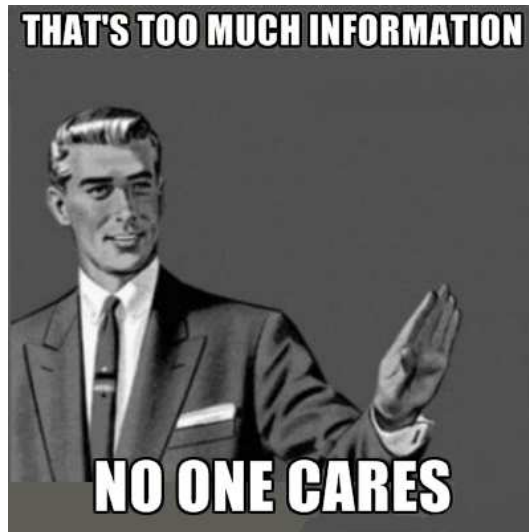
Sets a framework for how the library and stakeholders will measure success

Our Stakeholders

Don't Know Much of What We Do

Don't Understand our Terminology

Find Our Statistics Overwhelming



Teamwork

Consistent Terminology

Reach Consensus for What Matters

Cherry Pick the Statistics that
Support the Consensus

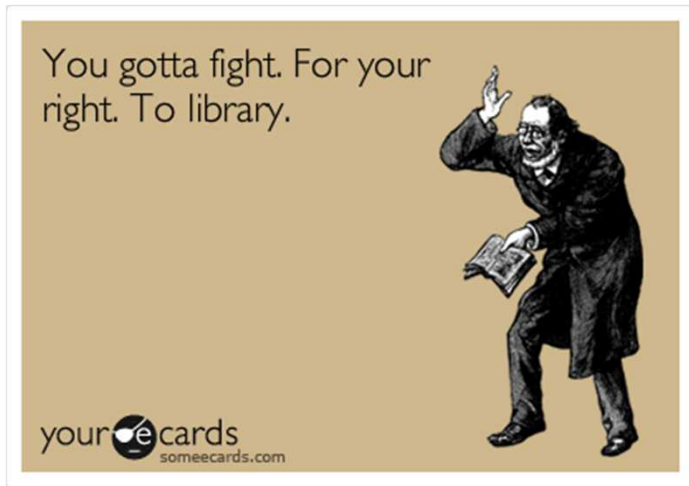


Durham County Library Measuring for Results

Everything I Thought was Wrong

Everything They Thought was Wrong

We Came Up with Our Own Right



Programs

- A program is a group of expenditures that achieve a common outcome

Activities

- What actions your organization takes to carry out these programs

Measures

- Consist of outputs, efficiencies, qualitative data and outcome measures.

That was Clear as Mud

Program Definition Worksheet					Date:
Program Title (working title)	What's included (list main activities in this program)	"Why" or purpose of program (key words)	"For whom" (only if client or customer is important to differentiate at this point)	Questions, Issues or Notes	Size (approximate staff and \$ -- rough estimate)
STEAM Literacy	Library programs for children, teens, and adults.	To educate the community in all forms of literacy for school, career, and/or personal enrichment.	All ages and backgrounds in Durham.	STEAM - Science, Technology, Engineering, Arts, and Mathematics. We are interpreting reading literacy as part of the Arts.	All staff? \$ for entire collection or selected categories?
Community Engagement	Hispanic Outreach; OASIS; Bookmobile; retirement homes, HUD housing, school and daycare visits; Durham Literacy Center programming.	Making our services available to those who can't come into the library, or are unaware of the library.	Homebound, low income, non-English speakers, in prison, in schools, daycares, etc.	What if the money for some of these services are replicated in other programs?	
Collection	Maintaining a physical and virtual collection to support our programs.			Would this include online classroom subscription services?	
Technology	Current technology, skilled staff, and proper space to use it.				
NCC Collection	Maintain archival collection, and specialized staff to administer it. Digitization and marketing of the collection.	Preserving the history of Durham and making it accessible to all	The Durham community, and anyone who happens to be interested in it.	Do we count just county money or all money used to support the collection?	
Administration	Budgeting, administrators and managers directing staff, activities, and resources	Management of county resources to provide library programs and to support the strategic plan.			

Program Definition Worksheet					Date: June 4, 2015
Program Title (working title)	What's included (list main activities in this program)	"Why" or purpose of program (key words)	"For whom" (only if client or customer is important to differentiate at this point)	Questions, Issues or Notes	Size (approximate staff and \$ -- rough estimate)
Library Services	Administration of library (Finance, ELT, Facilities) Public Services (Circulation, Reference, local programming)	encourage Discovery, connect the Community and lead in Literacy		Includes E-Rate services that provide basic functions of providing service - phone lines, and wireless service bills. Used # of positions and not FTEs	Staff: 135 \$7,023,719
Community Outreach and Engagement	Hispanic Outreach; OASIS; Bookmobile; Marketing, Family Literacy	Making our services available to those who can't come into the library, or are unaware of the library.	Homebound, low income, non-English speakers, in prison, in schools, daycares, etc.	Includes \$ for Bookmobile, includes Marketing, Bookmobile, YS, and OASIS salaries. Other public service staff who do outreach programming are under Library Services	Staff: 15 \$983,866
Collection	Selection and purchasing; access; collection maintenance and evaluation; digital collections; special collections	The library offers resources and materials in multiple formats that support the library's mission.		Includes the cost of staff necessary to select acquire process and deselect as well as NC Room.	Staff: 13 \$2,397,070
Technology Access	Access to technology hardware for the public; online access for the public; emerging technologies; technology training; technology support	Provide equitable access to existing and emerging technologies, and the necessary, skilled staff to operate, maintain and train.		Salaries of dedicated IT staff who provide training are included here. Salaries of public services staff who provide training are included in Library Services.	Staff: 4 \$436,347

Defining the Activities in Each Program

Durham County				Durham County			
Program Name	Program Purpose		Program Outcome Measure(s)	Program Name	Program Purpose		Program Outcome Measure(s)
Library Services	encourage Discovery, connect the Community and lead in Literacy		% of community satisfaction with the library, % of community visiting the library	Library Services	encourage Discovery, connect the Community and lead in Literacy		% of community satisfaction with the library, % of community visiting the library
Activity (what we do)	Output (Workload or product)	Efficiency (Unit Cost or Productivity)	Intermediate Outcomes (Service Quality)	Activity (what we do)	Output (Workload or product)	Efficiency (Unit Cost or Productivity)	Intermediate Outcomes (Service Quality)
Administration of Library	Cost to use library alternatives Cost of lost use Direct local expenditure Staff compensation Halo spending estimate # of work orders # of job applicants	Comparison of costs to peers Average time to complete work order Applicants v. Hires	Overall ROI for each county \$ spent % overall customer satisfaction Staff satisfaction w/work orders Staff exit interviews % of staff turnover	Administration of Library	# of FTE's managed	Library cost per capita Staffing per capita	Overall ROI for each county \$ spent % overall customer satisfaction % of exiting staff who report satisfaction with library employment % FTE staff turnover
Public Services - Circulation	# of Physical Items Circulated # of Active Borrowers # of Virtual Items Circulated # of Total Items Circulated # Reserves	# Items per circ staff # Items per self-check	% self check v. circ. Desk # of Circulations per Borrower % Population who are Active Cardholders	Public Services - Circulation	# of Physical Items Circulated # of Active Borrowers # of Virtual Items Circulated # of Total Items Circulated # Reserves	# Items per circulation staff transaction # Items per self-check transaction	% of circulated items that are self-checked # of Items circulated per Borrower % Population who are Active Cardholders
Public Services - Reference	# of total questions answered # of technology questions # of job related questions	# of questions answered/reference staff	% of patrons satisfied or very satisfied with questions answered	Public Services - Reference	# of total questions answered # of technology questions # of job related questions	# of questions answered/reference staff	% of customers who are satisfied or very satisfied with questions answered
Public Services - Local Programming	# of programs at locations # of attendees	# of attendees per program	% of attendees who are satisfied with programs	Public Services - Local Programming	# of programs at locations # of attendees	# of attendees per program	% of attendees who are satisfied or very satisfied with programs

Looking at Our Collection Activities

Durham County				Durham County			
Program Name	Program Purpose		Program Outcome Measure(s)	Program Name	Program Purpose		Program Outcome Measure(s)
General Collection	The library offers resources and materials in multiple formats that support the library's mission.		% of patrons satisfied or very satisfied with the collection	General Collection	The library offers resources and materials in multiple formats that support the library's mission.		% of patrons satisfied or very satisfied with the collection Annual collection investment per capita
Activity (what we do)	Output (Workload or product)	Efficiency (Unit Cost or Productivity)	Intermediate Outcomes (Service Quality)	Activity (what we do)	Output (Workload or product)	Efficiency (Unit Cost or Productivity)	Intermediate Outcomes (Service Quality)
Selection and Acquisition	# items ordered # patron and staff suggestions answered # database sessions \$ spent (excluding digital)	# items per selector # patron/staff suggestions per selector average time per item selected	# checkouts per registered users turnover rate relative use rate	Selection and Acquisition	# items ordered # patron and staff suggestions answered # database sessions \$ spent (excluding digital)		# checkouts per registered users # checkouts per item
Access	# items cataloged by vendor # items cataloged in house # digital items cataloged	cost per copy-cataloged record cost per original cataloged record turn-around time of cataloging volume of records	complexity and quality of cataloging for vendor and in-house	Collection Maintenance & Evaluation	# items weeded # items transferred	average # of checkouts during the life of an item	currency of collection: % of items added within last 5 years % of patrons satisfied or very satisfied with the currency of collection
Digital Collections	# items ordered # checkouts # reserves \$ spent	# items per selector average time per item selected	% of patrons satisfied or very satisfied with the collection # users registered for digital platforms # checkouts per registered user of digital platforms	Digital Collections	# items ordered # checkouts # reserves \$ spent		% of patrons satisfied or very satisfied with the collection # users registered for digital platforms # checkouts per registered user of digital platforms
Special Collections	# of new manuscripts, etc. donated and added # of meetings, programs, publications and presentations # of questions # of page views for photographic collections and online exhibits	Processing time # attendees Time spent per question	Survey of patron satisfaction with collection Program evaluations Customer feedback	Special Collections	# of new manuscripts, etc. donated and added # of meetings, programs, publications and presentations # of questions answered # of page views for photographic collections and online exhibits		Survey of patron satisfaction with collection Program evaluations Customer feedback

Now You Have to Measure It

Program Data Review Form														KEYS				
PROGRAM: Library Services		Do You Have the Data?							Service Quality Measures Survey/Instrument Status					Recommended Audience(s) to Report				
DATE OF THIS VERSION: 6/23/15		Yes, BUT THERE ARE SOME ISSUES																
MEASURES		No	Yes	1	2	3	4	5	6	7	1	2	3	Source or Database	Person Responsible	Dept.	County Mgmt.	Public
Outcome Measures																		
% of community satisfaction with the library											1			County Survey	County			1
% of community visiting the library														County Survey	County			1
Service Quality Measures																		
Overall ROI for each county \$ spent			1											SAP and Horizon Reports	Kathy		1	
% overall customer satisfaction			1								1			surveys	Kathy			1
% of exiting staff who report satisfaction with library employment		1										1		Lakesia?	Lakesia?	1		
% FTE staff turnover			1						1					Lakesia	Lakesia	1		
% of circulated items that are self-checked			1	1										Web Reporter	IT Admin	1		
# of items circulated per Borrower			1	1										Web Reporter	IT Admin	1		
% Population who are Active Cardholders			1	1										Web Reporter and Census	IT Admin	1		
% of customers who are satisfied or very satisfied with questions answered			1								1			surveys	Kathy	1		
% of attendees who are satisfied or very satisfied with programs			1								1			surveys	Kathy	1		
Efficiency Measures																		
Library cost per capita			1	1										SAP and Census	Kathy		1	
Staffing per capita			1	1										Lakesia and census	Kathy		1	
# Items per circulation staff transaction			1	1										Web Reporter	IT Admin	1		
# Items per self-check transaction			1	1										Web Reporter	IT Admin	1		
# of questions answered/reference staff member			1						1					Count at service points	IT Admin	1		
Output Measures																		
# of FTE's managed			1	1										Lakesia	Lakesia	1		
# of Physical Items Circulated			1	1										Web Reporter	IT Admin	1		
# of Active Borrowers			1	1										Web Reporter	IT Admin	1		
# of Virtual Items Circulated			1	1										Web Reporter	IT Admin	1		
# of Total Items Circulated			1	1										Web Reporter	IT Admin	1		
# Reserves			1	1										Web Reporter	IT Admin	1		
# of total questions answered			1											Count at service points	Kathy	1		
# of technology questions			1											Count at service points	Kathy	1		
# of job related questions			1											Count at service points	Kathy	1		
# of programs at locations			1											Evanced	IT Admin	1		
# of attendees			1											Evanced	IT Admin	1		

Do you have the data? (B-C)

1. Yes, we have the data and there are no changes needed and no issues. We are happy with the data.

2. No, we do not have the data. We need to develop a data collection instrument.

Choose appropriate answers in columns E-K if there are data issues or enhancements needed.

Yes Buts (E-K) data issues

1. Data is available in a database but it is not up to date.

2. Data is partially automated and partially manual.

3. Data is all manual.

4. Data is collected by other agency without our access.

5. Data is very limited to no data at all.

6. Data e1ists but we cannot e1tract the data.

7. There is another problem or change needed. (insert a comment in the cell to e1plain)

Service Quality or Customer Satisfaction Indicators (M-O) The status of survey data collection instrument

1. A survey/instrument e1ists and was completed within the past year

2. A survey/instrument e1ists and was not completed in the last year

3. A survey/instrument does not e1ist.

Recommended Audience(s) to Report Data (S-U)

D Internal to department

M Report to County Management

P Report to public

Where Do These Magical Data Come From?

Traditional In House Statistics Combined with Open Data


Random Free Library Tools

Consumer Data

ROI Calculator

<http://www.lrs.org/public/roi/calculator.php>

Mouseover libraries to see closest match or use:
<http://www.lrs.org/data-tools/public-libraries/annual-statistics/> to choose peer library.

 **LRS** Library Research Service
Research and Statistics about Libraries

Search... →

HomeData & ToolsReportsResourcesNewsAbout

Peer-Based Return on Investment Calculator

Of the participating libraries listed below, please choose the one that is most similar to yours:

Mouse-over the library name to view a description

- ☐ Cortez Public Library
- ☐ Denver Public Library
- ☐ Douglas County Libraries
- ☐ Eagle Valley Library District
- ☐ Fort Morgan Public Library
- ☐ Mesa County Public Library District
- ☐ Montrose Library District
- ☐ Rangeview Library District

Fill out the following information for your library. Use numbers only - no dollar signs or commas, please.

These statistics are available for Colorado public libraries at <http://www.lrs.org/data-tools/public-libraries/annual-statistics/>.

Number of Annual Visits

Total Operating Expenditures

Annual Staff Expenditures of your Library (salaries and benefits)

Annual Local Income for your Library

Submit

ROI Example

Cost to Use Alternatives	\$98,384,308
Lost Use	\$4,401,980
Direct Local Expenditures	\$370,059
Compensation for Library Staff	\$7,812,644
Halo Spending	\$7,959,859
Total Return on Investment	\$118,928,850
Local Investment	\$10,841,002

Return per Dollar Invested
\$10.97

Return On Investment

**An \$11
Return
for
Every \$1
Spent**

Choosing Peer Libraries

PLS (Public Library Survey) v. PLDS (Public Library Data Service Statistical Report)

<https://www.ims.gov/research-evaluation/data-collection/public-libraries-united-states-survey>

<https://nc.countingopinions.com/>



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PUBLIC LIBRARIES IN THE UNITED STATES SURVEY



Publications



Data Files



Search for Public
Libraries



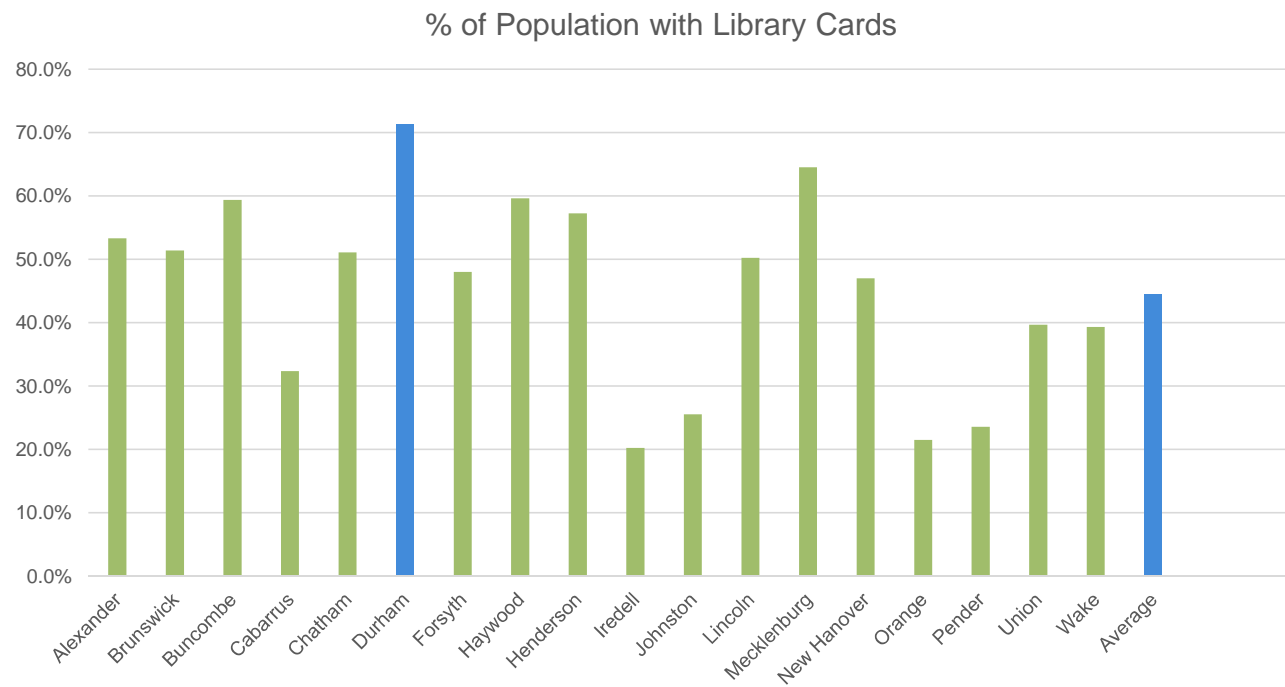
Compare Public
Libraries



Welcome

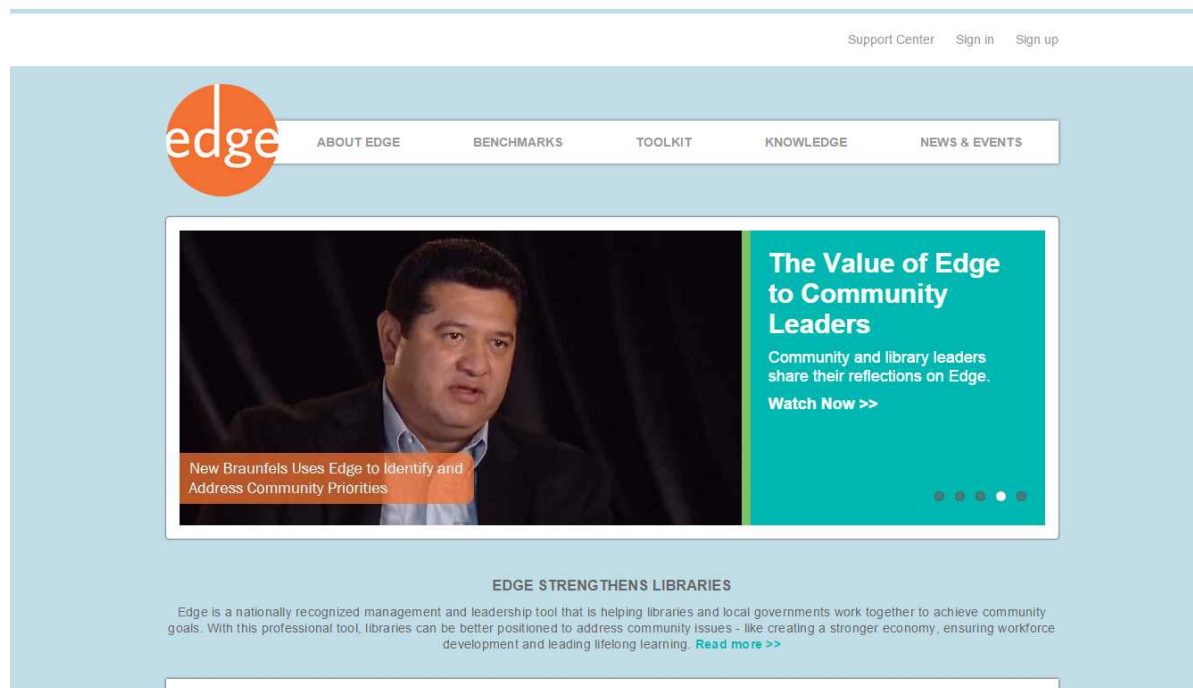
Login	
Username:	<input type="text"/>
Password:	<input type="password"/>
Password reminder	<input type="button" value="Login"/>

How We Compare to Our Peers



Technology Peers

Library Edge Assessment <http://www.libraryedge.org/>



National Trend Survey Data

<http://libraries.pewinternet.org/>



Pew Internet
Pew Internet & American Life Project

a project of the
Pew Research Center

SEARCH Libraries >>

Pew Internet » Libraries

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Libraries at the Crossroads

September 15, 2015

Two-thirds of Americans say that closing their local public library would have a major impact on their community. Low-income Americans, Hispanics and blacks are more likely than others to say that this would affect their lives and communities.

[Read More »](#)

% of those 16+ who say that closing the library would have this impact on ...

	Major impact	Minor impact	No impact
My community	65%	24%	6%
Me and my family	32	33	33

FROM THE BLOG

LIBRARIES IN THE DIGITAL AGE

Public library engagement in urban, suburban, and rural communities
July 11, 2014

What does library engagement look like in different community types?

Public libraries and technology: From "houses of knowledge" to "houses of access"
July 09, 2014

Some 77% of Americans now think it is

Wages

Metropolitan and Nonmetropolitan Area Occupational Employment and Wage Estimates from the Bureau of Labor Statistics

<http://www.bls.gov/oes/current/oessrcma.htm>

May 2014 Metropolitan and Nonmetropolitan Area Occupational Employment and Wage Estimates Durham-Chapel Hill, NC

For metropolitan and nonmetropolitan area definitions used by the OES survey, see the [Metropolitan and nonmetropolitan area definitions](#) page.

These estimates are calculated with data collected from employers in all industry sectors in Durham-Chapel Hill, NC, a metropolitan statistical area in North Carolina.

Additional information, including the hourly and annual 10th, 25th, 75th, and 90th percentile wages and the employment percent relative standard error, is available in the [downloadable XLS file](#).

[Links to OES estimates for other areas and States](#)

Major Occupational Groups in Durham-Chapel Hill, NC (**Note**--clicking a link will scroll the page to the occupational group):

- 00-0000 [All Occupations](#)
- 11-0000 [Management Occupations](#)
- 13-0000 [Business and Financial Operations Occupations](#)
- 15-0000 [Computer and Mathematical Occupations](#)
- 17-0000 [Architecture and Engineering Occupations](#)
- 19-0000 [Life, Physical, and Social Science Occupations](#)
- 21-0000 [Community and Social Service Occupations](#)
- 23-0000 [Legal Occupations](#)
- 25-0000 [Education, Training, and Library Occupations](#)
- 27-0000 [Arts, Design, Entertainment, Sports, and Media Occupations](#)

25-4021 Librarians

Administer libraries and perform related library services. Work in a variety of settings, including public libraries, educational institutions, museums, corporations, government agencies, law firms, non-profit organizations, and healthcare providers. Tasks may include selecting, acquiring, cataloging, classifying, circulating, and maintaining library materials; and furnishing reference, bibliographical, and readers' advisory services. May perform in-depth, strategic research, and synthesize, analyze, edit, and filter information. May set up or work with databases and information systems to catalogue and access information.

[National estimates for this occupation](#)

[Industry profile for this occupation](#)

[Geographic profile for this occupation](#)

National estimates for this occupation: [Top](#)

Employment estimate and mean wage estimates for this occupation:

Employment (1)	Employment RSE (3)	Mean hourly wage	Mean annual wage (2)	Wage RSE (3)
133,150	0.8 %	\$27.94	\$58,110	0.4 %

Percentile wage estimates for this occupation:

Percentile	10%	25%	50% (Median)	75%	90%
Hourly Wage	\$16.19	\$21.26	\$27.01	\$33.94	\$41.86
Annual Wage (2)	\$33,680	\$44,230	\$56,170	\$70,590	\$87,060

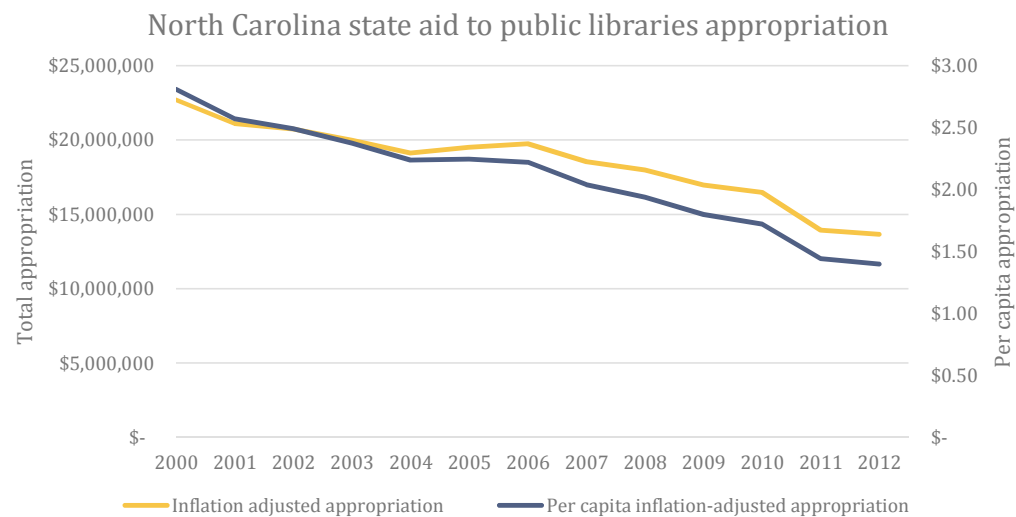
Industry profile for this occupation: [Top](#)

Industries with the highest published employment and wages for this occupation are provided. For a list of all industries with employment in this occupation, see the [Create Customized Tables](#) function.

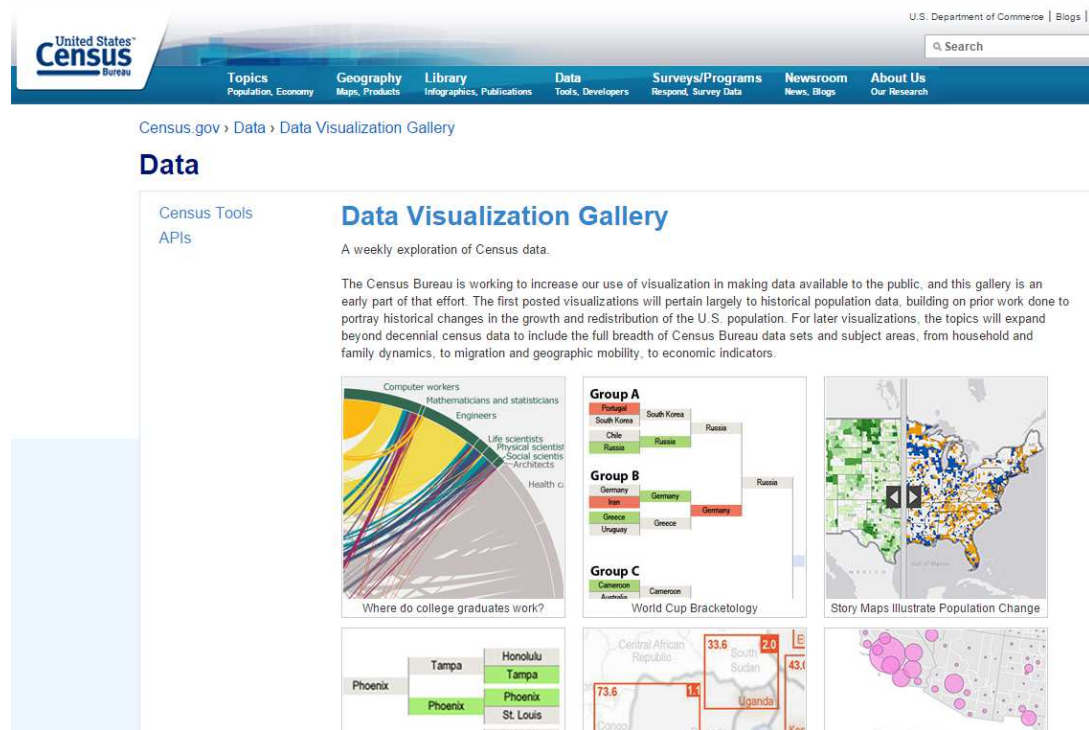
Industries with the highest levels of employment in this occupation:

Your Budget Adjusted for Inflation

Bureau of Economic Analysis Table 3.15.4 <http://www.bea.gov/itable/>



Data Visualizations from the Census

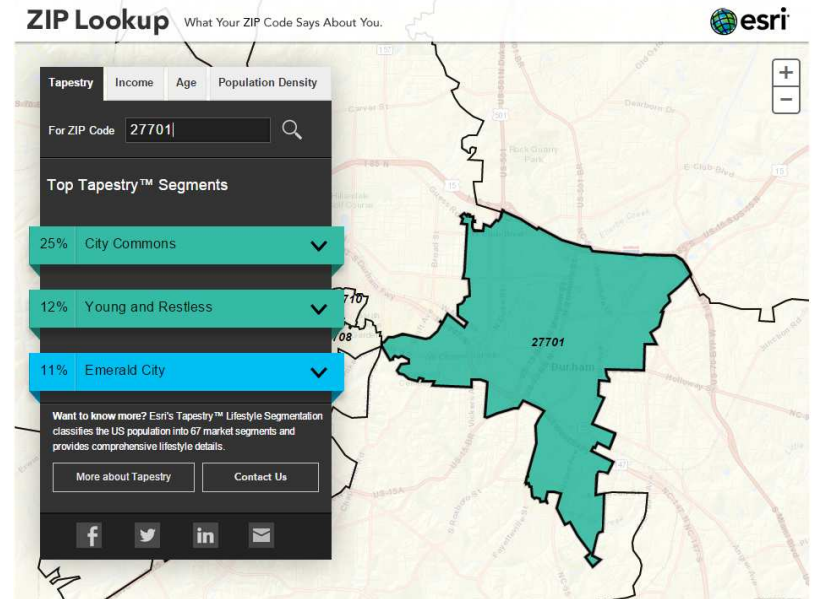
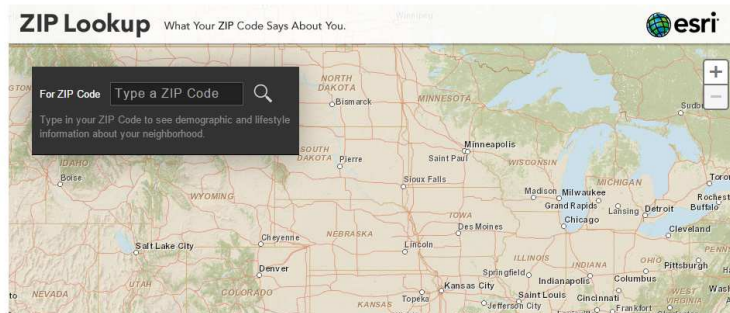


Tapestry from ESRI



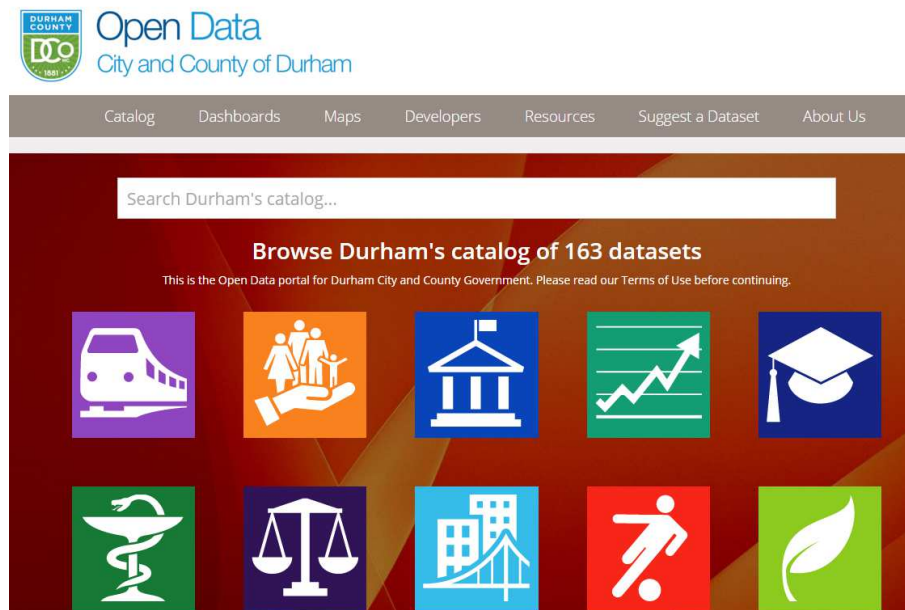
Explore Your Neighborhood

We are a Nation of ZIP Codes and Neighborhoods. See how Tapestry Describes Yours.

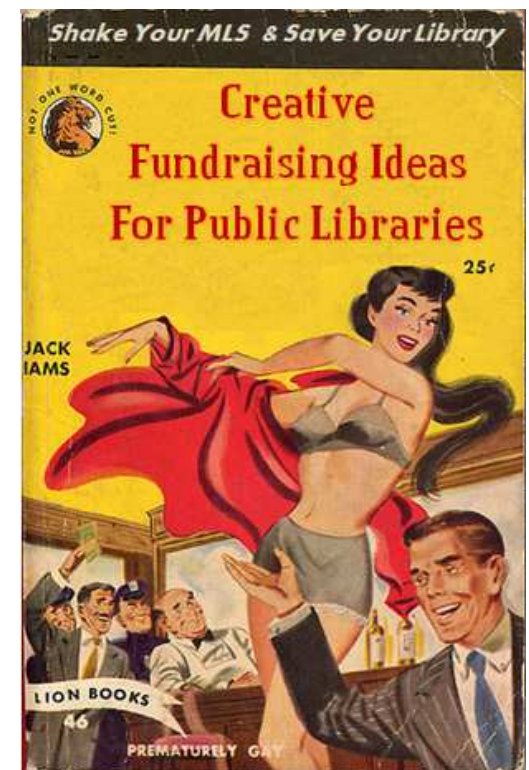
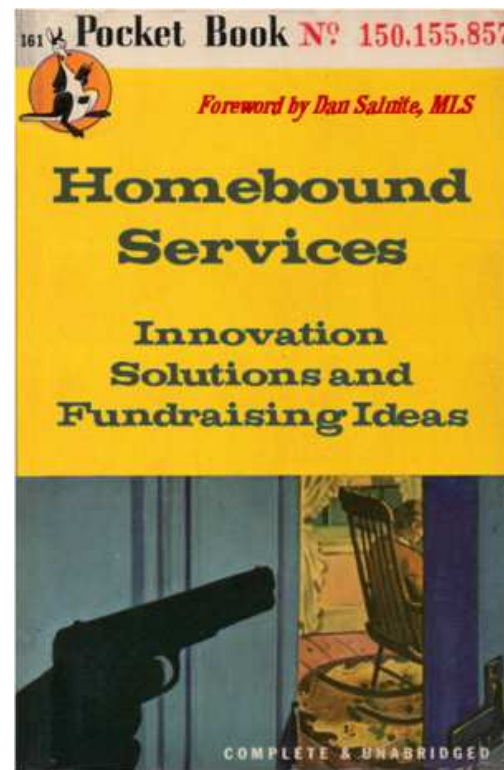


The Kindness of Strangers

- Look for Open Data projects from your state and local area
- Hackerspaces with Open Data projects



Don't Let This Happen to You

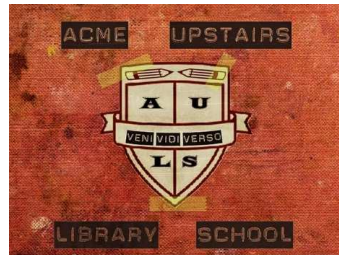


Citations

Librarian Pulp Fiction Images

ACME Upstairs Library School

<http://simplebooklet.com/publish.php?wpKey=zwTY8mLCC3wV310RtETcye#page=0>



ROI Details

- Library Research Service ROI Calculator, <http://www.lrs.org/public/roi/calculator.php>
- “Cost to use alternatives” – Cost to patrons to acquire information or materials from an alternative source if the library did not exist
- “Lost use” – Direct benefit patrons who chose not to seek information elsewhere would lose if the library did not exist
- Local expenditures – What the library spends on goods and services in its community
- Lost staff compensation – Salaries and wages that would not be paid without the library
- “Halo spending” – Purchases made by patrons at businesses near the library when they visit

Thank You!

Questions?

@kmakens

kmakens@dconc.gov