City of Austin

Austin Public Library (Library) Service Delivery Measures Audit

October 2014

A Report to the Austin City Council

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REPORT SUMMARY

The Library's use of performance measures to track the effectiveness of service delivery is generally in line with industry practice and peer libraries. However, the Library could benefit from improving reliability controls and aligning budget goals with key performance indicators. While the Library has made efforts to remove barriers to service, it has not documented and communicated what equity means in terms of library service delivery and currently tracks limited performance measure information.

TABLE OF CONTENTS

GOVERNMENT AUDITING STANDARDS COMPLIANCE

We conducted this performance audit in accordance with Generally Accepted Government Auditing Standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

AUDIT TEAM

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LIBRARY SERVICE DELIVERY MEASURES AUDIT

Mayor and Council,

I am pleased to present this audit on the Austin Public Library (Library).

BACKGROUND

The mission of the Library is to provide easy access to books and information for all ages, through responsive professionals, engaging programs, and state of the art technology in a safe and friendly environment. The Library has 20 branches in addition to Faulk Central Library. The Library also operates the Austin History Center and Recycled Reads used bookstore. The Library reports 56 performance measures to track service delivery.

OBJECTIVE AND SCOPE

The objective of the audit was to evaluate City measures used to track the effectiveness and equity of library services provided to citizens as compared to industry practices.

The audit scope included FY 2012 to FY 2014.

WHAT WE FOUND

- The Library's use of performance measures and internal statistics to track the effectiveness of service delivery is generally in line with industry practice and peer libraries. However, the Library could benefit from improving reliability controls and aligning budget goals with key performance indicators.
  - Data collection may not be performed consistently across all the branch locations.
  - We did not find Library procedures in place to check the reliability of auto-generated data provided by third-party vendors.
- Related to equity, the Library has made efforts to remove barriers to service, but has not documented and communicated what equity means in terms of library service delivery.
  - Our analysis indicates that most peer libraries do not specifically track equity measures as a separate goal.
  - The Library currently tracks limited performance measures related to equity.

We appreciate the cooperation and assistance we received from Library staff during this audit.

Kenneth J. Mory, City Auditor

BACKGROUND

The Austin Public Library (Library) was founded in 1926; it consists of the John Henry Faulk Central Library, 20 branch libraries in neighborhoods throughout Austin, as well as the Austin History Center and Recycled Reads used bookstore. The Library's commitment is to provide easy access to books and information for all ages, through responsive professionals, engaging programs, and state of the art technology in a safe and friendly environment. The Library's vision statement is that the Library is key to making Austin a dynamic creative center and the most livable city in the country. In addition, the Library's diversity statement is that the Library values diversity and is dedicated to celebrating an organizational culture that respects, understands, honors and welcomes all members of the community.

The Library reports 56 performance measures through the Budget Office (see Appendix B). Performance measures provide a useful tool for monitoring the accomplishments of a department. They help the department, City management, and City Council determine where best to allocate resources for optimal outcomes. Performance measures also help the public scrutinize the function of City departments. In addition to public performance measures, the Library monitors the performance of each branch through unpublished internal statistics.

OBJECTIVE, SCOPE, AND METHODOLOGY

The Library Service Delivery Measures Audit was conducted as part of the Office of the City Auditor's (OCA) Fiscal Year (FY) 2014 Strategic Audit Plan, as presented to the City Council Audit and Finance Committee.

Objective

The objective of the audit was to evaluate City measures used to track the effectiveness and equity of library services provided to citizens as compared to industry practices.

Scope

The audit scope included FY 2012 through FY 2014.

Methodology

To accomplish our audit objectives, we performed the following steps:

- reviewed City policies related to performance measurement;
- reviewed the City's Imagine Austin Comprehensive Plan;
- interviewed Library management and staff;
- analyzed Library performance measures and internal statistics;
- collected and aggregated Library data for analysis;
- evaluated risk associated with performance measurement;
- researched performance measure industry practices; and
- researched peer community library performance measures.

AUDIT RESULTS

The Library's use of performance measures and internal statistics to track the effectiveness of service delivery is generally in line with industry practice and peer libraries. However, the Library could benefit from improving reliability controls and aligning budget goals with key performance indicators. Related to reliability, we found that data collection may not be performed consistently across all the branch locations and we did not find Library procedures in place to check the reliability of auto-generated data provided by third-party vendors such as circulation data, database usage, and number of web hits. Related to equity, the Library has made efforts to remove barriers to service, but has not documented and communicated what equity means in terms of library service delivery. Also, the Library currently tracks limited performance measures related to equity; however, our analysis indicates that most peer libraries do not specifically track equity measures as a separate goal.

Finding 1: The Library's use of performance measures and internal statistics to track the effectiveness of service delivery is generally in line with industry practice and peer libraries. However, the Library could benefit from improving reliability controls and aligning budget goals with key performance indicators.

The Library tracks performance measures and key statistics in order to make informed decisions about resource allocation. Performance measures provide a basis for making informed decisions that reflect Council and stakeholder priorities and that deliver on the public's desire to get value for their money. The Library tracks 56 performance measures that are publicly available through the City's ePerformance website. The Library also collects additional statistics for internal use.

Based on an analysis of performance measure data collected by the American Library Association (ALA) and International City/County Management Association (ICMA), we found that the measures the Library uses to track the effectiveness of service delivery are in line with industry practice as well as peer communities based on region and population.[1] Common library performance measures include circulation per capita, material expenditures per capita, number of customer visits, and program attendance.

Managing for Results

The City's performance measurement system is a part of a larger budgeting framework adopted by the City known as Managing for Results (MFR). MFR includes the development of a business plan for departments with goals, key performance indicators, and performance measures to ensure alignment between department objectives and activities.

According to MFR, good performance measures are:

- relevant – logically and directly related to the organization's goals or activity purpose;
- understandable – communicated in a clear manner;
- consistent – used uniformly in the planning, budgeting, accounting and reporting systems;

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[1] The ALA collects performance data from more than 1,100 public library systems to produce an industry-wide benchmark called the Public Library Data Set (PLDS). The ICMA collects public library performance measure data from hundreds of city and county library systems.

- comparable – provides a clear frame of reference for assessing performance over time to demonstrate performance trends;
- timely – available to users before the information loses its value in assessing accountability and decision-making ; and
- reliable – derived from systems that produce controlled and verifiable data.

We analyzed the Library's 56 performance measures and found that the Library's performance measures are generally in line with MFR criteria. However, we noted two areas that could be improved – data reliability controls and the alignment of budget goals with key performance indicators (KPIs).

Data Reliability Controls

To determine if performance measures are reported accurately, MFR recommends each department perform a measure self-assessment. Included in the assessment is a determination as to whether there are sufficient control systems in place to ensure accurate data. Three types of controls should be in place to ensure accurate data: input controls where the data is first recorded, process controls where the data is calculated, and review controls performed by the person responsible for the accuracy of the data. While we found that Library staff attempts to produce reliable performance measure data, we did not find consistent written procedures or formal training related to gathering that data across branch locations.

EXHIBIT 1
Library Data Reliability Controls Need to be Strengthened

Control	Definition	OCA Observation
Input	Written procedures and guidelines should exist at the point where performance information is first recorded. Personnel should be trained to follow these procedures to ensure that they have a uniform understanding of what information is needed.	We did not find evidence of written procedures, guidelines, or training.
Process	The employee responsible for calculating the performance data should understand the origin of the information. Written procedures for collecting and calculating the information should exist. Personnel should be trained to follow the procedures.	We did not find evidence of written procedures, guidelines, or training.
Review	The department should periodically review information submitted by branch locations and third parties. A supervisor should review calculations of the performance data to ensure consistency with measure definition and check for mathematical errors.	We did not find evidence of consistent review of measure data submitted by branch locations, but did see evidence that the data is reviewed for anomalies by Library management.

SOURCE: OCA analysis of Library controls over performance measure data, April-June 2014

Without sufficient procedures and training in place, it is difficult for a department to consistently collect accurate performance data. For example, we found that not all branch libraries were

properly calculating the door count and we did not find consistent instruction on how to properly capture reference question information.

Also, MFR requires procedures to ensure that data provided by third-parties is accurate, either written documentation of the third-party's controls or a method for the department to provide assurance of the data produced. We did not find evidence that the Library has procedures in place to check auto-generated data or obtain assurances from vendors as to the reliability of their data.

In addition, we noted that the Budget Office performed a review of selected performance measures Citywide which included three measures from the Library. The Budget Office certified the three Library measures, but two were certified with qualifications due to concerns about the adequacy of input and review controls to ensure the accuracy and consistency of the data.

It is critical that performance measure data be as accurate as possible so that decision-makers have a reliable basis to allocate resources in a cost-effective manner that meets the expectations of stakeholders. Because the Library operates and must allocate resources to 20 branch locations, it is imperative that service delivery information be collected in a consistent manner at all branches so that comparisons among branches are accurate.

Relevance

Each year, Library management provides a list of goals to City Council in their budget presentation and the budget document. MFR states that good measures need to be relevant, meaning that they are logically and directly related to the organization's goals or activity purpose. We found that not all budget goals for FY 2014 have a corresponding performance measure or KPI (see Appendix B).

For example, goals related to Library staff training and skills had no corresponding performance measure. Other goals, such as web hits and employee safety goals did have a corresponding performance measure, but not one that is featured as a KPI.

KPIs are often the only performance measures reported to City Council during the budget process. It is important that the City Council receive information on progress toward department goals. Misalignment of department goals and KPIs does not provide Council and public stakeholders with a clear picture of a department's progress toward goal attainment.

Finding 2: The Library has made efforts to remove barriers to library services, but has not documented and communicated what equity means in terms of library service delivery and currently tracks limited performance measures related to equity.

Imagine Austin, the City's comprehensive plan (Plan), notes that "the Austin City Council established 'sustainability' as the central policy direction" of the Plan and that sustainability involves "finding a balance among three sets of goals: 1) prosperity and jobs, 2) conservation and the environment, and 3) community health, equity, and cultural vitality." In terms of equity, the Plan defines social equity, in part, as "equal access to social goods and services." In addition, the Plan notes that "people-oriented places … promote equity" because "they can be enjoyed equally by city dwellers and visitors of all income levels, ethnicities, and ages."

In terms of equity as a concept in library service delivery, our analysis indicates that the ALA, the ICMA, and most peer libraries do not specifically track equity measures as a separate goal. We noted that the ALA collects information on the challenges of providing library services equitably, but the PLDS does not collect information and has no indicator allowing libraries to compare their efforts related to equity.

We did note a few examples where peer libraries track and report the equity of their services. The Boston Public Library publishes its usage statistics by branch, San Francisco tracks and publishes book and media circulation as well as database usage by language, and Multnomah County sets goals for library employee language skills and reports on how many employees speak a second language. During the course of this work, we noted that City of Austin and Library performance measure data was more accessible to the public than the peer data we examined.

In Austin, we found indications that the Library strives to achieve its mission of providing easy access to library services throughout the community. However, we did not find a consistent definition of equity that had been communicated throughout the organization. Also, we found performance measures related to generational equity, but did not find measures that tracked other aspects of equity.

We noted Library efforts related to equity that include having 20 branch libraries located throughout the community, a website featuring numerous resources that is always available, and materials offered in a variety of languages. The Library also features computer classes, assistance with job-searching and citizenship applications, and tutoring through its partnership with the Austin Independent School District. We also noted that the Library is pursuing better ways to increase access for people with disabilities. In addition, we noted an effort to improve digital access at all locations that would help remove barriers for low-income citizens and address an increase in the use of digital resources including e-books.

By applying the principles of the City's MFR framework to a definition of equity, Library management could identify key equity performance measures related to service delivery that, in some instances, Library staff is already providing, but not reporting. Tracking these measures would also provide important metrics to inform management, City Council, and stakeholders where equity efforts are working and where improvement is needed.

RECOMMENDATIONS

The recommendations listed below are a result of our audit effort and subject to the limitation of our scope of work. We believe that these recommendations provide reasonable approaches to help resolve the issues identified. We also believe that operational management is in a unique position to best understand their operations and may be able to identify more efficient and effective approaches and we encourage them to do so when providing their response to our recommendations. As such, we strongly recommend the following:

1. **The Library Department should develop, implement, and monitor written procedures for performance measure data collection and provide the procedures and training to all employees responsible for gathering and reporting data.**

   MANAGEMENT RESPONSE: **Concur.** Refer to Appendix A for management response and action plan.

2. **The Library Department should obtain written documentation of each third-party vendor's controls related to data reliability or develop a method to provide assurance that the data produced is accurate for inclusion in performance measures. In addition, the Library Department should test data collected from third parties for accuracy, as practicable.**

   MANAGEMENT RESPONSE: **Concur.** Refer to Appendix A for management response and action plan.

3. **The Library Department should define equity in terms of library service delivery; adopt and integrate this definition into their mission and goals; and establish, align, and track those measures.**

   MANAGEMENT RESPONSE: **Concur.** Refer to Appendix A for management response and action plan.

TO: Kenneth J. Mory, City Auditor

FROM: Brenda Branch, Director of Libraries

DATE: September 22, 2014

SUBJECT: City of Austin Audit Response

The Austin Public Library staff is committed to providing the highest level of service possible, while at the same time assuring equity and responsiveness to the needs of the citizens of Austin. In the spirit of continuous improvement, we welcome the review and analysis of the 2014 Library Service Delivery Measures Audit.

Historically, the library has gathered the same measures as other major urban libraries, as requested by the American Library Association and the Texas State Library. At one time, the library had a Business Analyst to coordinate data collection, but due to priorities, the position was needed elsewhere in the library. It is apparent that without such a position, it will be difficult for the library to improve data collection procedures and we plan to hire a Business Process Consultant to provide leadership in this area. In the meantime, a task force has been created to begin documenting data collection processes and procedures.

The Library has requested, and has begun receiving, documentation of third-party vendor controls related to data reliability to assure that the data produced is accurate for inclusion in performance measures.

The library has had an operating definition of equity for the purposes of strategic, business and budget planning for many years. It is an overriding commitment that has assured that every citizen of Austin has equal access to library services and programs. As a result of this audit, we have placed that equity commitment in writing on the Library's internal webpage and public website. In addition, we have compiled, in writing, the guidelines of how we provide and measure equitable programs and services. We are also in the process of contracting with an outside vendor to assist with research and development of additional measures, including outcome and equity measures, which will put us on the leading edge of libraries in the country in regard to data collection and reporting systems.

Attached is the action plan for the 2014 Library Service Delivery Measures Audit.

Brenda Branch

Brenda Branch
Director of Libraries

ACTION PLAN

Library Service Delivery Measures Audit

Rec #	Recommendation	Concurrence and Proposed Strategies for Implementation	Status of Strategies	Proposed Implementation Date
01	The Library Department should develop, implement, and monitor written procedures for performance measure data collection and provide the procedures and training to all employees responsible for gathering and reporting data.	Concur – • A task force will be created to begin discussing document data collection processes and procedures. • A Business Process Consultant position will be hired to assist with implementation and monitoring of data collection procedures and oversee staff training.	Underway Planned	October 2014 March 2015
02	The Library Department should obtain written documentation of each third-party vendor's controls related to data reliability or develop a method to provide assurance that the data produced is accurate for inclusion in performance measures. In addition, the Library Department should test data collected from third parties for accuracy, as practicable.	Concur – • Staff will contact third-party vendors providing statistical data and ask for written documentation concerning the collection and calculation of data including assurance as to data reliability.	Underway	October 2014

Rec #	Recommendation	Concurrence and Proposed Strategies for Implementation	Status of Strategies	Proposed Implementation Date
03	The Library Department should define equity in terms of library service delivery; adopt and integrate this definition into their mission and goals; and establish, align, and track those measures.	Concur – • The Library has documented its "Equity Commitment" and will integrate this definition into strategic planning and goal development.	Implemented	Complete
		• The Library currently tracks some performance measures related to equity.	Implemented	Complete
		• A Business Process Consultant position will be hired to assist with implementation and monitoring of data collection procedures and oversee staff training.	Planned	March 2015
		• The Library is currently in the process of pursuing a contract with an outside vendor to assist with research and development of additional measures, including equity, within the parameters of data collection and reporting systems.	Underway	October 2015

AUSTIN PUBLIC LIBRARY PERFORMANCE MEASURES, BUDGET GOALS, AND KEY PERFORMANCE INDICATORS

AUSTIN PUBLIC LIBRARY PERFORMANCE MEASURES

1. Percent of under $5,000 competitive procurement awards to certified MBE vendors
2. Percent of under $5,000 competitive procurement awards to certified WBE vendors
3. Annual carbon footprint
4. Average annual carbon footprint
5. Circulation per capita
6. Citizen satisfaction with cleanliness of library facilities (%)
7. Citizen satisfaction with materials at libraries (%)
8. Citizen satisfaction with quality of city libraries (%)
9. Cost per number of volumes added to the collection
10. Cost per order placed
11. Cost per reference question asked
12. Cost per youth program attendee
13. Employee turnover rate
14. Express check transactions as a percent of total circulation (in available locations)
15. Fill rate for items requested through the reserves system
16. Internet sessions per capita
17. Library expenditures per capita
18. Library program attendance per capita
19. Lost time injury rate per the equivalent of 100 employees
20. Materials expenditures per capita
21. Materials expenditures per capita (capital funding)
22. Number of adult items circulated annually
23. Number of adult library cards issued
24. Number of adult program attendees
25. Number of archival items processed
26. Number of cardholders active within the last 3 years
27. Number of circulating digital materials added to the collection
28. Number of customer visits (Austin History Center)
29. Number of customer visits
30. Number of database searches
31. Number of employee injuries
32. Number of internet sessions
33. Number of items circulated
34. Number of new items digitized
35. Number of reference questions asked-adult
36. Number of reference questions asked-youth
37. Number of Reference Services-related web hits
38. Number of tons of materials kept out of landfills
39. Number of volumes added to the collection
40. Number of volumes received
41. Number of WEB "hits" (Austin History Center)
42. Number of web hits
43. Number of youth card holders active within the last 3 years
44. Number of youth items circulated annually
45. Number of youth items circulated annually per capita
46. Number of youth library cards issued
47. Number of youth program attendees
48. Number of Youth Services-related web hits
49. Number of youth that sign-up for the Summer Reading Program
50. Overall employee job satisfaction (%)
51. Percent of employees who feel the Library Dept demonstrates adequate concern for employee safety (%)
52. Sick leave hours used per 1,000 hours
53. Staff per 1,000 served
54. Visits per capita
55. Wired internet sessions
56. Wireless network connections

AUSTIN PUBLIC LIBRARY BUDGET GOALS

1. 82% of citizens responding to the Citizen Survey will rate their satisfaction with cleanliness of library facilities as satisfied or very satisfied
2. 85% of library staff responding to the Listening to the Workforce survey will indicate that the department demonstrates adequate concern for employee safety
3. Circulation per capita will reach at least 6.39
4. Web hits will reach at least 35,000,000
5. Program attendance will reach at least 133,950
6. Data from the Counting Opinions customer satisfaction survey database will be reviewed annually to guide decision-making
7. 75% of citizens responding to the Citizen Survey will rate their overall satisfaction with the quality of city libraries as satisfied or very satisfied
8. 72% of library staff responding to the Listening to the Workforce survey will indicate that training has helped improve on-the-job skills
9. 75% of library staff responding to the Listening to the Workforce survey will indicate they have used skills learned in training offered by the department

AUSTIN PUBLIC LIBRARY KEY PERFORMANCE INDICATORS (KPIs)

1. Circulation per capita
2. Citizen satisfaction with materials at libraries (%)
3. Citizen satisfaction with quality of city libraries (%)
4. Internet sessions per capita
5. Library program attendance per capita
6. Materials expenditures per capita
7. Visits per capita