

**Circulation and Collection Use (including Fees & Fines)
Policy – 2010 Recommendations**

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| Date: | February 16, 2010 |
| To: | Toronto Public Library Board |
| From: | City Librarian |

SUMMARY

The purpose of this report is to recommend changes to the Circulation and Collection Use Policy. The policy and the accompanying schedule are reviewed on a regular basis to ensure they are reasonable, effective and in line with nearby libraries and with other large urban Canadian public libraries. The policy was last reviewed by the Board in October 2007.

No substantive changes are being recommended at this time. There are a number of changes to the fee schedule including new fees for printing from multifunctional devices which were introduced to replace printers, copiers, and fax machines; revised photographic and digital reproduction fees; and new fees for the licensing of images. Other changes and additions include added information about new services such as the Museum and Arts Pass and Laptop Lending; a new section about Online Registration; and the policy as a whole has been reviewed for compliance with the new Accessibility for Ontarians with Disabilities Act (2005).

In addition, in 2007 some temporary changes were implemented in anticipation of implementing the new integrated library system (ILS). At the time, the new system was unable to support some of the Library's prescribed limits on the length of time a borrower could have overdue fines before borrowing privileges were suspended. It is now possible to reinstate the threshold based on the maximum time a user may have unpaid fines before service is blocked.

Finally, some sections of the policy and schedule have been reformatted for greater clarity.

RECOMMENDATIONS

The City Librarian recommends that the Toronto Public Library Board:

1. approves the revised Circulation and Collection Use (including Fees and Fines) Policy (Attachment 1).

FINANCIAL IMPACT

The costs associated with the implementation of this policy will be included in the Library's existing operating budget.

Based on a review of customers with fines outstanding, an increase in fines revenue of approximately \$100,000 is expected from the reinstatement of the threshold based on the length of time a borrower may have a fine outstanding on his or her record before service is blocked. This expected increase in revenue was included in the report that went to the Board on December 14, 2009, *2010 Operating Budget Reductions – City Target*. (<http://www.torontopubliclibrary.ca/pdfs/board/09dec14/09.pdf>)

The impact of any other changes in fees is expected to be minimal.

The Province of Ontario will be implementing a Harmonized Sales Tax (HST) on July 1, 2010, which is not expected to have an impact on net revenues from fees and fines covered by this policy.

The Director, Finance and Treasurer has reviewed this financial impact statement and is in agreement with it.

IMPLEMENTATION POINTS

There are several items that require implementation:

- the new fee structures for photographic and digital reproduction fees and the licensing of images will go into effect immediately;
- online registration will be implemented as a part of the web development project in 2010;
- the reinstatement of the fines threshold based on the maximum time a user may have unpaid fines before a service is blocked will be implemented in the second quarter of 2010. There will be a six-week public information campaign to build awareness about this change.

DECISION HISTORY

The policy and the accompanying schedule are to be reviewed on a regular basis to ensure they are reasonable, effective and in line with nearby libraries and with other large urban Canadian public libraries.

The policy was last reviewed by the Board in October 2007. That review included several temporary changes, necessary for the introduction of the new integrated library system.

ISSUE BACKGROUND

The Circulation and Collection Use Policy applies to all users of all Toronto Public Libraries. It covers activities relating to the registration of Library users and the borrowing and use of Library collections and services. It sets the conditions and use of the Library card; the borrowing privileges, responsibilities and restrictions; and a schedule of fines and fees.

The policy is reviewed on a regular basis to ensure that it continues to provide an effective and relevant mechanism for making materials widely available to the community, for maximizing the use of collections and services, for facilitating requests for materials and for retrieving overdue materials.

COMMENTS

Fines Recovery

(Section 1.13, and Schedule 1.5): In 2007, the Board approved a temporary change eliminating the threshold for the length of time a borrower could have overdue fines before service was suspended. At the time, the new ILS was not able to enforce this threshold. A solution has been developed, so this threshold can be reinstated.

Being able to reinstate this threshold is expected to result in increased revenue for the Library, and will assist in meeting the City's target in the 2010 Operating Budget. The December 14, 2009 report to the Board, *2010 Operating Budget Reductions – City Target* included an estimate of \$100,000 in increased revenue related to this anticipated change.

Both the literature and Toronto Public Library's own experience confirm that the longer a fine remains on a borrower's record, the less likely it is to be paid.

A communication plan for the public is being initiated by staff.

New

Two new services have been introduced since the last review of this policy, i.e., Laptop Lending (Section 1.15) and a Museum and Arts Pass (Section 1.16). There is also a new section (Schedule Section 10) regarding licensing the use of images on merchandise for sale.

The Laptop Lending service has been piloted at the Jane/Sheppard Branch. Users over the age of 17 sign an agreement accepting responsibility for the proper care of the equipment while in use, and for the cost of replacement should the laptop be lost or stolen. Users between the ages of 13 and 17 must also have a parent or guardian sign the form. The laptops are available for use inside the branch, in increments of two hours which may be extended depending on demand. Late fees are charged per hour, and lost charges are incurred if the laptop is not returned within 24 hours of borrowing.

The Sun-Life Financial Museum and Arts Pass, which provides free access to one of a group of participating arts and culture venues for two adults and two or more children, is currently available for borrowing at all 99 branches. There are certain restrictions, for example, that the pass is available only to adult borrowers and that a customer may borrow only one pass per week.

Licensing Use of Images on Merchandise for Sale (Schedule Section 10) establishes licensing fees for the use of images from TPL's Special Collections. No fees are charged for publishing images from the collections in print, online or in broadcast media. When the request is for use on merchandise for sale, a licensing fee of \$150.00 is applied to not-for-profit fundraising bodies and \$1,000 for commercial enterprises.

Online registration

In anticipation of implementing online registration in 2010, a new paragraph has been added to the policy in Section 1.4, Library Card – Conditions and Use.

Online Library Card Registration represents a key component of the “virtual branch” envisioned for the Library's online presence. Users accustomed to commercial websites expect to be able to do everything they need online, especially any steps necessary in order to access resources and services that are themselves online. For example, a customer who discovers that the Library subscribes to an online journal is far more likely to use it if able to obtain access to it immediately, at the point of discovery, without having to plan a visit to a branch first to register for a Library card. Online registration has obvious potential for increasing both the number of registered Library customers and the usage of online products and services.

A growing number of libraries already offer online registration as an option for accessing online information. Examples include libraries in Hamilton, Vancouver, and Boston.

Online accounts will be temporary, and will expire after 30 days. Online registrants will be able to place holds, and can access online databases and downloadable collections, but will not be able to borrow materials until they come into a branch to obtain a Library card with borrowing privileges in accordance with standard eligibility requirements.

Photocopies and printing, digital and photographic reproduction

(Schedule Sections 5.5, 9.1, 9.2, 9.3): The Library has replaced photocopiers in branches with new multifunctional devices which can be networked to public computers and eliminate the need for separate printers. This service is currently being phased in.

Pricing structures for printing and photocopying have been aligned with each other to reflect this change.

The cost for computer printing has been reduced to \$0.15 (from \$0.20). It is expected that improved control over collecting printing fees will more than offset potential revenue loss.

The cost for colour copies has been reduced from \$1.00 for 8.5" x 11" and \$2.00 for 11" x 17", to \$0.55 per copy. This reflects the fact that as colour copying has become more widely available, the costs to consumers have dropped. The Library's current charge is significantly higher than charges at commercial outlets. Colour copying for the public is a service that is provided in only a few of our branches. (Note: 11" x 17" copies are no longer available to the public.)

The fee schedule for photographic and digital reproduction has been in place since 2003. It has been streamlined and simplified to reflect a digital service environment and eliminate products no longer in demand. Products and fees have been increased and set to mirror those of the City of Toronto Archives, the most comparable service in Toronto.

The fee schedule for the Digital Design Studio has also been simplified, updated to reflect current usage and include only those fees unique to the service. Where fees for products (e.g. copies, USB drives) exist elsewhere in the Fees Schedule, they will apply to the Digital Design Studio.

Holds limit

(Schedule 2.2): The number of holds a customer can have at one time is being increased from 50 to 60. In the previous ILS, the calculation of holds per customer record included only holds that were actually outstanding, not those that were in transit or awaiting pickup. The new ILS includes all holds, those that have been trapped and are in transit or awaiting pickup as well as the ones waiting to be filled. The Library has received a number of customer requests to increase the number of holds allowed in response to this change as customers who are at the threshold are prohibited from placing further holds.

AODA Compliance

The policy was reviewed for compliance with the Accessibility for Ontarians with Disabilities Act, 2005. The policy now includes an "umbrella statement" which ensures the policy will "... be administered in a manner that respects the dignity and independence of persons with disabilities". Other wording changes provide options for persons who are unable to provide a signature due to a disability.

Replacement cost

The replacement cost for lost or damaged materials has been changed to indicate the on-order price or the invoice price, whichever is greater.

NSF Cheques

A standard fee of \$25.00 will be charged for NSF cheques changed from 'current bank charge'.

Cases and Portable Data Storage Devices

(Schedule 5.9, 5.11): In the interest of simplicity, charges for different kinds of cases (Cassette, DVD, Video Cassette) have been consolidated into a single fee of \$2.00. The category now includes plastic pouches as well.

Schedule 5.11, previously labelled "Other", included a list of charges for a variety of materials, which are no longer in use. Examples include charges for art print bags, toy bags, and patterns -- services that are no longer provided. The category also included diskettes which have been replaced by USB drives, an example of changing technology.

A new category called "Portable Data Storage Devices" has been created. USB drives are currently the only item in this category, and have a fee of \$10.00. There is considerable customer demand for data storage devices in branches given the popularity of public access computers.

Miscellaneous

The following additions represent services or policies which are in practice and included in Library procedures but are not reflected in the policy. The following have been added in Section 1.4, Library Card, Conditions and Use:

- *Supplementary Cards* – customers have the option of designating one other customer to access their customer record (this is most commonly used by family members living in the same household);
- *Hostel Cards* – provision is made for customers who are unable to provide permanent address identification (e.g., those who are staying in shelters or in hostels) to borrow up to two items at a time;
- *Talking Book Customers* – customers who are certified as having a perceptual disability, resulting from visual, physical or comprehension impairment that prevents them from reading works in their original format are exempt from paying overdue fines; borrowing and placing holds on Talking Books are restricted to these customers and to Home Library Service customers.

HST implementation

The Province of Ontario will be implementing a Harmonized Sales Tax (HST) on July 1, 2010, which will replace the current Goods and Services Tax (GST) and Ontario Retail Sales Tax (ORST). As described below, the implementation of HST is not expected to have an impact on net revenues from fees and fines covered by this policy.

A number of charges are currently exempt from sales taxes (GST and ORST) and will also be exempt from HST. These include overdue fines, collection agency fees, charges for replacement cards or lost materials, damaged cases or book sales.

Some charges currently have GST and ORST included in the price, e.g., photocopies, printing and USB drives, and the HST will be a combination of the GST and PST with no

net financial impact. Where a charge already includes the sales tax and there is an increase in the sales tax rate, then the charge needs to be increased to avoid a net decrease in revenues.

For charges where sales taxes are added to the price at the time of invoicing or payment, e.g., collection reproduction and licensing (Schedule Sections 9 and 10), the HST should have no impact on net revenues to the Library.

Formatting and style changes

As noted at the beginning of this report, the policy has also been reformatted for greater clarity.

CONTACT

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SIGNATURE

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ATTACHMENTS

Attachment 1: Revised Circulation and Collection Use (including Fees and Fines) Policy