

Director's Association

Upper Hudson Library System

Friday, September 10, 1999 at Albany Public Library

Attending: Jeff Cannell (APLM), Deb Canzano (COHS), J. Felsten (RCSC), Carol Gaillard (HOOF), Carol Hamblin (GUIL), P. Hickok (TROY), B. Jaquay (COLN), Barbara Kubli (STEP), N. McGrath (POES), Pat Nonamaker (EGRN), Nancy Pieri (BETH), Gail Sacco (VOOR), Carol Trager (BRUN), Barbara Schoen (WTVL), Archa Wachowicz (RVLL), L. Zapala (MEND).

Visitors: S. Dallas (UHLS), H. Fuge (UHLS), B. Meredith (APLM)

Meeting convened 9:15 am.

1. Welcome

New library directors Nancy McGrath (POES), Carol Trager (BRUN) and Lenny Zapala (MEND) were welcomed.

2. Minutes

Motion (Hamblin, Schoen) to approve June 4, 1999 minutes. Carried.

3. LSTA Grants

S. Dallas explained that Hemwatie injured her elbow and was unable to attend. She announced that three LSTA grants were funded:

- Computer training for library staff
- Babies and Books
- Library Services for Older Adults

4. UHLS Draft Plan of Service for Free Direct Access (90.3)

P. Nonamaker proposed the following recommendations for service to patrons from:

1. *unserved areas* (communities that do not have a chartered library e.g. Schodack, Pittstown, Green Island, Knox)
2. *out of chartered service area*

UNSERVED Any circulation to residents of an "unserved service area" is excessive unless the member library has a contract that funds a percent of the library budget equal to the percent of circulation by the "unserved" area. These libraries should have two possible options, regardless of the "unserved" population size:

- Restrict borrowing of new material and a/v.
- Prohibit all borrowing. On-site use will still be available.

OUT OF CHARTERED SERVICE AREA Circulation to an out of chartered service area is excessive if it is ?% or more of the library's total circulation. This inequity can be addressed by restricting borrowing of new material and a/v. The percentage figure could be drawn from

perhaps an average of the highest "out of chartered service area" circulation that libraries are currently experiencing and are comfortable with now. If a library is experiencing "excessive" borrowing as defined by the plan, but does not find it a hardship, it can choose not to enact the restriction. The percent needs to be set low enough so that if any library experiences a serious reduction in funding member libraries can restrict borrowing to protect their patrons from overuse by the underfunded library.

Paul Hickok suggested the plan define an underserved population and establish a dollar figure that is an adequate level of support. He asked that the plan include NYS Education's actions (or inaction) which contribute to the continued support of sub-standard libraries. A sub-committee to study the issue of Nonamaker, Hickok, Pieri, McGrath and Dallas was formed.

5. UHLS Proposed 2000 Budget

G. Sacco inquired about the bookkeeper restructuring. Sara explained that they intend to hire a bookkeeper instead of retaining the bookkeeping service on a contractual basis. The position will be full-time but the bookkeeper will work four days a week at UHLS and one day at CDLC (which is subcontracting with UHLS for his time). This bookkeeper will be available to assist library directors with budgets and help design budgets that make it easier to gather statistics for annual reports. The restructuring objective is to free up the consultants time so they may accomplish the goals of the Long-Range Plan.

Daily delivery for all libraries will begin in January. Corporate Express has been retained and a schedule will be issued with exact times of daily arrival for each library.

Incentive grants have been reduced. N. Pieri questioned whether the Directors had all agreed to its total elimination in 2001. Questions arose about why the libraries are seeing reductions in pool collections and direct aid as well as paying increased port fees while UH staff are receiving a COLA that is higher than the cost of living.

There will be an open meeting of the UHLS Board to discuss the proposed budget on September 21, 9-11 am at UHLS. Library directors are encouraged to attend if they have comments/questions.

G. Sacco asked Sara if Automation staff could broadcast information about any automation problems. After the purge last weekend keyword searching was not available. VOOR Reference librarians inquired about it but received no response from Automation Dept. Information about these types of problems should be broadcast to everyone ASAP.

6. Book Sales

B. Meredith suggested that libraries send their book sale information to him c/o APL. He has connections with dealers and bibliophiles and will advertise your book sale to them. APL's Bookstore will accept leftover book sale books, including textbooks and Reader's Digest Condensed Books.

7. Liaison Appointments

Board - B. Jaquay

Interest Groups - P. Nonamaker. If anyone is unhappy with what is happening in an Interest Group and does not receive satisfaction after speaking with the Consultant please document the concern with an email to Hemwatie.

Services Committee - J. Felsten

Automated Services Committee - N. Pieri

There was discussion about establishing a DA liaison with the UHLS Administration and Finance Committee. A request by DA was made last year to have a liaison on Admin but no decision was made. Motion (Sacco, McGrath) to establish a liaison with the UHLS Administration Committee and Finance Committee and that all liaisons become voting members of UHLS committees. Carried. Bob Jaquay will bring the motion to the next UHLS Board meeting. C. Hamblin offered to serve on the Finance Committee if a liaison is approved.

8. DA Conference

Brochures will go out next week. Conference is October 4. Deadline for response September 24. Make checks payable to GUIL but send them along with your registration to WTVT. Carpooling is encouraged. This conference is in lieu of the October DA meeting.

9. Collection Agency (See Attachment #1)

C. Hamblin interviewed three collection agencies, National Revenue Corp., Transworld Systems, and Unique Management. Only Unique Management handles libraries exclusively. Their fee is the lowest, \$5, and if it is charged back to the patron there is little if any cost to the library. Their reports can be integrated with DRA. After contacting references Carol recommended Unique Management. Motion (Cannell, Pieri) to recommend Unique Management as the preferred collection agency and UHLS pursue a contract with Unique Management with Carol Hamblin continuing as the liaison. Carried.

10. Central Library

Renovations continue. Carpet looks great.

11. Funding for Albany County Libraries

J. Cannell announced that Mayor Jennings will be calling a meeting of all Albany Co. Library Directors and interested Board members to discuss the possibility of securing county level funding.

12. Troy & Cohoes UHLAN Bills

P. Hickok & D. Canzano discussed the letter they received from Hemwatie threatening to cut service if their UHLAN bills were not paid. They felt their cases had been misrepresented to the ASC.

Meeting adjourned 12:15 pm. Submitted by P.Nonamaker

Attachment #1

Memorandum

DATE: September 9, 1999

TO: Directors Association

FROM: Carol J. Hamblin, Director

RE: Collection Agency Update

Cc:

DEADLINE: immediate

In December, 1998, presentations were made by representatives from National Revenue Corporation and Transworld Systems in regard to their collection agencies. I also have information (via Carol Clingan of Albany Public Library) from Unique Management Services. The following was gathered:

National Revenue Corporation.

I met with Tim Olesky of NRC on August 19 to review his previous presentation to the Association and assess our options. I also have copies of sample correspondence that his (and others as well) company offers. Our discussion covered much of the same territory as his presentation in December, 1998. One change is that, of the two proposals, only Proposal 1 (the more expensive, \$10/account vs. \$7.50/account) is available currently. Tim is very interested in working with Upper Hudson libraries to customize an account mechanism that will work for us, though.

I clarified the \$10 x 1,000 that he had based his proposal on. Each account would cost \$10, and he estimated (considering other library clients, including Saratoga Springs and Watertown) that for UHLS libraries as a whole, we would likely have over 1000 accounts over a year's time. That seems large on the face of it, but he said Saratoga, as one example, has about 250 accounts at any one time. Doing the multiplication, this would mean \$10,000 due to his company for a year's service. He did say that other arrangements could be considered--for example, breaking payments into quarters, with \$2,500 due each quarter (up front).

I asked what are the advantages of his company over others?

- **Soft sell.** The correspondence begins with simple notification and assumes the patron has perhaps overlooked the previous contacts. This first letter can also be customized for each individual library, although later notices are standard.

Initiation of action. It is the library that decides when collection should be initiated and an account turned over. Accounts can be for overdue materials, fines, or bad checks.

- **Guarantee.** There is a 300% guarantee on return. That is, if \$10,000 is expended over the period of a year on our (all UHLS libraries) end, the company guarantees that our

return in value will be at least \$30,000. Although they do require the up-front payment (unlike many collection agencies), their approach is to prevent accounts from "deteriorating" to the extent that drastic action is required.

- **Size.** The company has over 6,000 locations in the U.S. and is expert at dealing with collections, according to Tim.
- Y2K compliant.
- Online "preventive maintenance" service.
- **Customizing.** In addition to the first letter, other needs of individual libraries may be taken into consideration. Although the proposal was made to the system, any number of libraries can participate. Also, if some libraries chose to work through UHLS (for example, sending in the accounts to UHLS, with a contact there) and others wanted to work with the company directly, that was acceptable. And, if only a few libraries participate, they can still benefit from the rate negotiated with UHLS, as long as UHLS administers it. The example Tim gave me was that under other circumstances (individual contracts), with 250 accounts the cost per account would be \$12, with the total quarterly bill \$3,000 rather than \$2,500.

I suggested that we might want to do it as a trial for a shorter period of time, and he said he would be willing to try and work something out. I did point out to him that budget considerations were of primary importance, particularly to those with more restricted budgets.

It's usually between 90-120 days from the initial "audit" letter to an attorney letter (that, and litigation, are optional, in this Secondary Phase, with litigation through their in-house counsel and an asset search). One contact possibility is the employment verification notice, which is allowed through the federal Fair Debt Collection Practices Act.

Tim said he would be willing to attend any of our meetings, and was available should we want him at a meeting.

Transworld Systems.

David Dischiavo, representative.

Some concerns via Bethlehem Public Library. Although the comments were from "several years ago", according to a BPL staff member, there were levels per account--that is, they were unaware that when the account required a more aggressive approach, the cost went up, and they charged a percentage of the value of the materials out. In reviewing their presentation, it doesn't appear as if they do this any more. However, they did not provide us with any specifics as to the cost in our system, although they did guarantee twice the return vs. the cost of the service in actual collections.

Interestingly, a look through TSI's promotional material reveals an undated clip about the Springfield (MA) City Library's positive experiences with TSI in an article titled "Collection Firm Hired by Library". Noted particularly in the article is that TSI had a 50%

success rate. Since the relationship had begun one day prior to the article's publication, it is meaningless as far as how good a job they did.

TSI states that it supplies a monthly status report. I'm not certain of the frequency of reporting with NRC.

Unique Management.

Charles L. Gary, representative. Although I have not met with him, Carol Clingan had done so in February, 1999, and forwarded the information to me; I subsequently had a couple of conversations with him.

Advantages:

Their only clients are libraries

Can tie into DRA's Collection Agency Module

\$5/account rate

Weekly reports

Minimal library participation acceptable

Free 90-day trial period, including use of the DRA module

I spoke with Jule Cleary of Southern Tier Library System, who was recommended as a contact by Mr. Gary, and Marcia Stewart at Corning Library. Southern Tier uses the DRA module and supplies it for their members. Currently, they have 3 libraries actively using this service, but 12-13 libraries came online this year, and it is expected that number will grow. Southern Tier prints reports every Wednesday night; soon these will be automatically generated overnight. One copy goes to Unique Management, one copy to the Library, which pays UM directly.

Also, the \$5/account is charged back to the patron, so there is little if any cost to the Library.

I was especially taken with Ms. Stewart's comment: "It really works!"

Recommendation.

Administration. UHLS needs to answer the question of who administers. It would seem that this is an appropriate activity for the system to undertake, regardless of which company we select. If money is required up front, and UHLS does not do this, individual libraries must be willing to do so.

Level of interest. A poll needs to determine which libraries would be interested at all. If there are conditions, such as an inability to lay out funds, those should be noted.

Depending on level of interest, we should pursue either as a consortium, as a small group of libraries, or as individual libraries.

Account levels. In order to ascertain whether the account levels are high enough to engender multi-library participation, we need to determine how many accounts each

library might have initially. We at Guilderland are currently checking on that for our own library.

Timeline for implementation.

Based on the conversations I have had, and review of the materials, I would recommend we select Unique Management. Although an interview needs to be set up with Mr. Gary, it would seem that the DRA connection and the free trial alone warrant this company as a choice. The enthusiasm of the people from Southern Tier was the clincher.

An immediate question, then, is acquisition of the DRA module. I would suggest that UHLS pursue this ASAP.