

Save Our Escondido Library Coalition

September 13, 2017

Mayor Sam Abed and City Councilmembers
City of Escondido
201 N. Broadway
Escondido, CA 92025

RE: Save Our Escondido Library Coalition transmittal of new information and requests related to outsourcing our library to LS&S

Dear Mayor and Council members:

The Save our Escondido Library Coalition is writing today to share additional information we have discovered about Library Systems and Services (LS&S) and information about outsourcing contracts. In light of this information, we urge you to stop the contract process and to solicit other alternatives. None of the new information we have discovered is encouraging and collectively provides enough cause and concern to end discussions with them.

Since your action last month, our coalition has continued to investigate LS&S and their suitability to run a library. The evidence is in and they are not suitable for our community. The evidence is also clear, LS&S will **not** improve our library, they will decimate it.

You don't have to take our word for it, just consider these examples of how they have performed elsewhere.

The 2016 Jackson County Library Services Performance Review and Quality Assessment found serious deficiencies in libraries LS&S has operated for 10 years.

A 2016 assessment of the performance of Jackson County Oregon libraries run by LS&S can only be described as 'scathing'. The assessment was commissioned by the Jackson County Library District Board to determine how the services delivered by the Library District and its contractor LS&S measure up to minimum standards. Although the new District has only managed the library since mid-2015, LS&S has operated their library for over 10 years. We have attached a copy of the full report and listed specific excerpts is below.

The *Jackson County Library Services Performance Review and Quality Assessment* outlines significant deficiencies in how LS&S is operating the library. Other problems with having LS&S as a contractor, such as would be the case in Escondido, were also evident and very troubling.

Some of the problems highlighted include:

- The library operations failed to meet 63% of the minimum 'essential specifications' for overall performance.

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- The report notes that 28% of the funds given to LS&S fall into a category of 'other' and the exact use is not known.
- The lack of transparency makes it *"impossible for the Board to determine if it is getting good value for the dollar."*
- LS&S's definition of proprietary information is extremely limiting and frustrates the ability of the Board to certify that standards are being met.
- The library services grossly underserved the Latino community. See more below.
- The collection does not adequately reflect the diverse interests of the community.
- Staff had the lowest qualifications, salaries and benefits when compared with other Oregon libraries.
- LS&S met only 11% of essential specifications in the Staff category.

LS&S has failed to meet needs of Spanish-speaking residents in other areas.

Especially concerning is the failure to provide for the Latino community. Here is a direct and especially troubling quote from this report:

*"Based on the calendar of upcoming programs, there are **no story times in Spanish** (there is outreach to Spanish-speaking childcare). The system offers a Book Club in the Bag collection, but only English titles are offered. There are definite **holes in the Spanish-language collection**. Spanish language materials written or produced by people from Latino cultures are needed. **The slim collection of Spanish-language materials, combined with the lack of programming targeting Spanish speakers or recent immigrants, and the lack of a Spanish-language website, gives the overall impression that Spanish speakers are not considered part of the community nor welcome at the Library.**"* Page 6.

This is not a good fit for Escondido. While Jackson County is only 12% Latino, 51% of Escondido residents are Latino. In some areas of Escondido 87% of households are Latino, and 38% of households are linguistically isolated (limited English speaking). The library serves a critical function as it has been proved that children who are read to and who read in their native language are far more successful in English language skills. Our library must include quality programs and materials to serve this important and valued part of our community. But, it is clear that LS&S is not the group with the sensitivity or skill to serve them.

Santa Clarita library appears in decline

The biggest loss in this outsourcing scheme is the loss of our committed, dedicated, professional staff, the very people who make our library excellent and special. We only need to look to Santa Clarita to see what happened there as a warning for what we can expect here.

From information we have obtained, we understand that all of the seventeen librarian positions required by the contract have turned over since 2011. The impact of this massive exodus of

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librarians appears to be significantly impacting the libraries, e.g., rapidly declining library circulation (the number of books, etc., that are checked out from the library). For fiscal year 2014-15 1,500,557 items were checked out (see page 5 of the document at this link: <http://filecenter.santa-clarita.com/library/statistics/FY15-16/Statistical%20Report%20-%20June%202016.pdf>). This plummeted to 1,270,216 for fiscal year 2016-17 (see page 2 of the document at this link: <http://filecenter.santa-clarita.com/library/statistics/FY16-17/Library%20Statistical%20Report%20June%202017.pdf>).

Your negotiators should ask many questions about this situation before you move forward with any action. Please ask them why Santa Clarita was not a recommended destination for a pre-planned site visit.

Conditions that must be included in any contract

In addition to concerns about accountability and transparency, the Jackson County report confirms that LS&S libraries struggle to provide a competent staff sensitive to the local constituents. Generally, outsourcing organizations, like LS&S, contract based on minimum service level agreements (like being open on Sundays), but these contracts notoriously fail to govern overall quality of service and proficiency of staff.

For example, it is straightforward for an outsourcing company to state that they will be open on Sundays, but what happens if the computers go down and there is not trained staff on hand to fix them? What happens if a student needs assistance with a research project, but the available staff is incapable of helping or too busy? The user simply must go to another place next time that can help.

The library staff, *technically*, met its obligations because the library *was open*. However, the *level* of service was not prescribed in the service agreement. And, our library is not improved in this scenario.

These kinds of outsourcing agreements are notorious in that they never specify the staff requirement numbers nor the job descriptions for each staff position including the level of education, experience and expertise, and the minimal staff headcount and expertise required at all times.

If three of you are intent on continuing to pursue this contract (which we continue to fully oppose), there are some requirements that should be included for the protection of the city and to anticipate future conditions.

For the protection of the library and the city, a contract must include the following:

- LS&S must indemnify the city against any and all lawsuits brought against them or the city over this contract.

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- Re-opener clause in the event of any new elected officials joining the Council due to election or otherwise during the period of the contract.
- Re-opener clause in the event a proposition or referendum is passed making any changes in policy, operations, or funding of the library.
- Contract must detail and specify exactly what staff levels and staff expertise will be provide at all times.
- Contract must include service plans, staffing plans, technology plans, collection development and management plans, and detail their operational policies.
- Contract should outline any and all services for which LS&S will charge the city additional fees.
- Annual reviews of LS&S must be conducted as a public hearing so that the public can provide input on performance.
- LS&S must change their definition of 'proprietary' so that cost-effectiveness can be determined.
- LS&S must reveal the profit margin they are making on our library.

You promised several of our members that you would share the draft contract with them. We request at least a week review of the draft contract so that we may offer comments on it. You should also require LS&S to come before you in public session and respond to the many concerns raised by the public.

Significant instability in LS&S leadership

Last, LS&S appears to suffer from significant turnover in its own leadership. Reports are that LS&S has had four CEO/Presidents and three CFO's over six years. The Council should be advised that these can be signs of a company struggling to satisfy its private equity owners and remain in business.

Library Trustees have scheduled an additional meeting on September 27 to provide additional input to the Council.

As you must now be aware, there are legal issues being raised about your impending action. The Library Trustees met and will be considering additional advice and guidance at a special meeting on the 27th. As they are your appointed advisors, the Council should hold off until this guidance is received before proceeding with any further action.

In summary, we urge the City Council to do the following:

1. Stop negotiations and either hold in abeyance or cancel consideration of an outsourcing contract with LS&S.
2. Wait until your Library advisors communicate their thoughts about alternatives and the contract to you.
3. Request proposals from your current library staff and the County library system so that you see what alternatives you have.

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4. Develop a community workshop proposal to investigate the library and pension issues. It can be done. We can help.
5. Stop hiring new upper level managers in a manner that increases the pension burden until we have a plan to address the pension issue.

Knowing what we now know about Library Systems and Services, outsourcing our library to them would not only be a mistake, it would be a scandal.

And, by the way, one look at the city's own website <https://www.escondido.org/news.aspx> demonstrates we already have a great library—full of vitality—if you would only look.

Respectfully,
Elizabeth White for
Save Our Escondido Library Coalition

Cc w/o attachments (link to full report on next page)
Chairman Guiles and Library Trustees
Mr. Jeff Epp
Mr. Mike McGuinness
Supervisor Kristen Gaspar

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Link to Report and Excerpts

The complete *Jackson County Library Services Performance Review and Quality Assessment* can be found here: <https://wp.me/p8veb5-zp> Here are just a few excerpts from the report (emphasis added):

- "The absence of a written service plan, staffing plan, technology plan, a contemporary collection development and management plan, and the existence of many dated operational policies, is concerning. **Why is this when LS&S has been operating the Library for 10 years?**" Page 6.
- "Based on interviews of Board members, it seems that **the Board is unlikely to continue contracting out library services in the long term.**" Page 7.
- "The Board's confidence that the money is being well spent is **limited by the lack of LS&S transparency.**" Page 5.
- "Latinos make up 12.4% of the population of Jackson County." "Based on the calendar of upcoming programs, there are **no storytimes in Spanish** (there is outreach to Spanish-speaking childcare). The system offers a Book Club in the Bag collection, but only English titles are offered. There are definite **holes in the Spanish-language collection**. Spanish language materials written or produced by people from Latino cultures are needed. **The slim collection of Spanish-language materials, combined with the lack of programming targeting Spanish speakers or recent immigrants, and the lack of a Spanish-language website, gives the overall impression that Spanish speakers are not considered part of the community nor welcome at the Library.**" Page 6.
- Statement on whether the library staff meets the desired outcomes set for Oregon's citizens: "The comparatively **low number of librarians**, in addition to other comparative factors, influenced our "no" rating, despite a "yes" rating given by Library Management." Page 8
- "The Board could pay more money to LS&S and specify staffing levels and compensation, but **the Board still would not know the true staffing costs and would likely pay additional overhead.**" P.23
- "LS&S should be able to provide in its monthly report to the Board who has had training and the nature of the training." Page 24.
- "The management team believes that the essential standards have all been met, **but they have not.**" and "There is no collection management plan and funds cannot be spent or the

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collection regularly evaluated according to a collection management plan if there is no such plan. A selection policy which the Library has is not a collection management plan. There is a Legacy materials selection policy. This policy is based upon goals established in 1979. **The collection does not adequately reflect the diverse interests of the community.**” Page 25.

- “One would think that LS&S would be able to negotiate economical volume contracts with OverDrive, Hoopla! etc., as well as subscription databases.”Page 30.
- “Board input suggests that the programming may not align with the strategic plan focuses.” “The programs seem not to be the product of thoughtful consideration of the Strategic Plan, formed to support specific and quantifiable deliverables attached to Strategic Plan goals and measures.” P. 34.
- **“Technology expertise among staff is generally low**, there is not much opportunity for staff to receive formal technology training, and the ability to help patrons with technology and database is inconsistent between locations.” Page 35