

**AGENDA ITEM:** Access Services: Multitype Pilot Loan Programs

**GENERAL OVERALL PROGRAM UPDATES:**

**Interlibrary Loan Pilot Program:**

At its June 2001 meeting the Library of California Board moved to continue the interlibrary loan pilot program through June 30, 2002, and stipulated that during this period of time all compensation for nonpublic libraries' interlibrary loans to public libraries, estimated at \$165,000, would be paid from California Library Services Act funds. Staff estimated that compensation for nonpublic libraries' loans to other nonpublic libraries would require \$660,000, resulting in a total of \$825,000 needed to fund all 2001/02 reimbursements in the program.

The \$825,000 estimate takes into account 1) a reimbursement rate increase to \$3.82; 2) a small reduction in the number of active participants who will not be Library of California members as of July 1; and 3) a probable small reduction in claimed transactions due to the requirement that only loans to other members will be eligible for compensation. At this time staff does not anticipate a large increase in the number of libraries participating in the program, but the fact remains that the total number of participating libraries is an unknown factor, as is the volume of loan activity.

Because of the uncertainty of the exact amount of funding necessary to fund reimbursements for nonpublic library to nonpublic library loan transactions, it would be fiscally prudent for the Board to consider prorating these reimbursement payments during 2001/02. Prorating involves reducing the reimbursement rate for all targeted reimbursement payments in the fiscal year by a certain percentage, in case the amount of dollars available to fully fund the reimbursements is not adequate. Then, if there are funds remaining after the fourth quarter payment, a "fifth payment", which allocates the remaining funds equitably among all reimbursements claimed during the past year, is sent to participating libraries.

Staff recommends that reimbursements for nonpublic library to nonpublic library loan transactions be prorated at a minimum of 10% during 2001/02. Document 26 contains a detailed analysis of how prorating would affect the \$3.82 reimbursement rate and how the prorating percentage would vary depending on the amount of Library of California funds that are allocated to regional library networks, as well as an action item for the Board to consider regarding prorating interlibrary loan pilot program reimbursements.

Staff has sent all participants in the interlibrary loan pilot program information on how the program will be funded in 2001/02 and how their claims for loan transactions will be

affected. Staff has also received helpful suggestions from some libraries on how borrowing and lending libraries might identify Library of California members, and has passed that information on to pilot program participants. Exhibit A contains those memos. Staff is also developing an email directory of contacts from the libraries participating in the pilot project in order to facilitate communication with the libraries.

In addition, a list of all current Library of California members and their participating libraries, along with OCLC symbols, where applicable, has been mounted on the Library of California Web site to assist lending libraries in determining whether they can claim loan transactions. The direct location of the list is:

[http://www.library.ca.gov/loc/LoC\\_Members/LoCMembs.PDF](http://www.library.ca.gov/loc/LoC_Members/LoCMembs.PDF)

Exhibit B contains the first page of the member list. This list will be expanded into a complete membership database which will include regional affiliation, resource-sharing services offered, etc.

Exhibit C contains fourth quarter statistics (April-June 2001) for the interlibrary loan pilot program, and Exhibit D contains the final statistical report for the program in 2000/01.

**RELATED ISSUE TO COME BEFORE THE BOARD IN THE FUTURE:** What funding formulas are appropriate for the loan components of Library of California access services?

Relevant Committee: Access Services  
Staff Liaison: Tom Andersen