

# Calculating Value of Services & Return on Investment (ROI)

VALUE OF SERVICES (RETURN ON INVESTMENT)			
Cost if citizens had to purchase books/videos/audios or	\$2,640,440	\$2.05 Cost per circulation	
	\$115.34	\$20.00 per book, video, DVD circulated	
		per registered customer	
Number of Computer Users	19,014	\$10.00 per use:	\$190,140
Number of Reference Questions Answered	7,534	\$5.00 per answer:	\$37,670
Number of People Attending Programs [Summer Reading Program Participants	1,992 354]	\$5.00 per person:	\$9,960
			<b>Return on Investment: \$9.52</b>

## RETURN ON INVESTMENT

LOCAL FUNDS BUDGETED / TOTAL CIRC  
= COST PER CIRC

TOTAL BOOK, VIDEO, AUDIO CIRCULATION  
X \$20.00 = COST IF CITIZENS HAD TO PURCHASE

COST IF CITIZENS HAD TO PURCHASE /  
TOTAL REGISTERED CUSTOMERS  
= VALUE PER REGISTERED CUSTOMER

NUMBER OF COMPUTER USERS X \$10.00  
PER USE = VALUE OF COMPUTER USE

NUMBER OF REF QUESTIONS ANSWERED X  
\$5.00 PER ANSWER  
= VALUE OF QUESTIONS ANSWERED

NUMBER OF PEOPLE ATTENDING  
PROGRAMS X \$5.00 PER PERSON  
= VALUE OF PROGRAMS

(COST OF CITIZENS TO BUY + COMPUTER  
VALUE + REF VALUE + PROGRAMS  
VALUE) / LOCAL FUNDS BUDGETED  
= ROI

LOCAL FUNDS BUDGETED / TOTAL CIRC =  
COST PER CIRC

**Latest Estimated Value of Volunteer Time  
per hour**  
**\$23.56 (National)      \$20.92 (Tennessee)**  
[https://www.independentsector.org/volunteer\\_time](https://www.independentsector.org/volunteer_time)

Local Library System			
2010-2011			
<b>SERVICE AREA</b>	2010-2011	2011-2012	
Service Area Population	48,394	49,372	
Per Cent of Service Area Residents Registered:	47%		
<b>CUSTOMER REGISTRATION</b>			
Registered Customers / Adult	15,321	67%	
Registered Customers / Juvenile	7,571	33%	
Registered Customers / TOTAL	22,892		
Registered Customers from Outside of County			
<b>BUDGET</b>			
Local Funds Budgeted	\$302,249	\$319,891	
<b>PER CAPITA MINIMUM STANDARD: \$8.50</b>		\$6.25	
Salaries & Benefits Expenditures	\$251,730		83% of budget spent for salaries and benefits
Books & Materials Expenditures	\$29,214		\$5.20 per capita expenditure/salaries and bene
			10% of budget spent for book and materials
			\$0.60 per capita expenditure/books and material
<b>15% of BUDGET for MATERIALS STANDARD: \$45,337</b>			
<b>COLLECTION HOLDINGS</b>			
Local Book Holdings	37,230	63%	
Region Book Deposit	25,710	37%	
TOTAL Book Holdings	58,940		
TOTAL Video/DVD Holdings	2,952		
TOTAL Audio Holdings	2,806		
TOTAL Holdings	71,322		
<b>2 per capita RECOMMENDED MINIMUM STANDARD: 98,744</b>			Items needed to meet minimum standard: 27,422
Genealogy Holdings (non-circulating)			
<b>CIRCULATION</b>			
Book Circulation / Adult	65,841	66%	
Book Circulation / Juvenile	24,541	34%	
TOTAL Book Circulation	100,382		1.70 Book Circulation Turn Over Rate
TOTAL Video/DVD Circulation	24,661		8.35 Video Circulation Turn Over Rate
TOTAL Audio Circulation	6,979		2.49 Audio Circulation Turn Over Rate
TOTAL Other Materials Circulation	15,736		2.07 All Materials Turn Over Rate
			<b>2.50 RECOMMENDED TURN OVER STANDARD</b>
			20,353 Circulation per staff member
			6.45 per capita circ of materials by registered customer
State Library pays for these databases/materials:			
TOTAL READS Audio and E-Books Circulation	79		
Number of Tennessee Electronic Library Searches	18,600		0.61 computer searches per card holder
<b>BUILDING SQUARE FOOTAGE</b>			
Total Square Footage of Buildings	19,120		
<b>4 ft per cap RECOMMENDED MINIMUM STANDARD: 24,688</b>			Sq. ft. needed to meet minimum standard: 14,568
<b>STAFFING</b>			
Current Number of FTE Staff	7.26		
			<b>RECOMMENDED MINIMUM STANDARD: 1 MLS; 4 FTE Paraprofessional; 3.5 FTE Clerical</b>
<b>VALUE OF SERVICES (RETURN ON INVESTMENT)</b>			
Cost if citizens had to purchase books/videos/audios or	\$2,640,440	\$2.05 Cost per circulation	
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			<b>Return on Investment: \$9.52</b>

DSR, 10 OCTOBER 2011

Template for Annual Report Statistical Form at: <http://rurallibrarydirectors.pbworks.com/w/file/50225866/Copy%20of%20Template%20for%20Annual%20Report%20Statistical%20Form.xls>

State Library pays for these databases/materials:	
TOTAL READS Audio and E-Books Circulation	79
Number of Tennessee Electronic Library Searches	18,600

# Library Value Calculator

How valuable is your local library? Use this handy Library Value Calculator, created by the [Massachusetts Library Association](#).  
Value of Your Library Use

Input Your Use	Library Materials & Services	Value of Your Use
<input type="text" value="1"/>	Adult Books Borrowed	<input type="text" value="\$17.00"/>
<input type="text" value="1"/>	YA Books Borrowed	<input type="text" value="\$12.00"/>
<input type="text" value="1"/>	Childrens Books Borrowed	<input type="text" value="\$17.00"/>
<input type="text" value="1"/>	Audiobooks Borrowed	<input type="text" value="\$9.95"/>
<input type="text" value="1"/>	Interlibrary Loan Requests	<input type="text" value="\$25.00"/>
<input type="text" value="1"/>	eBooks Downloaded	<input type="text" value="\$15.00"/>
<input type="text" value="1"/>	Magazines Read	<input type="text" value="\$5.00"/>
<input type="text" value="1"/>	Newspapers Read	<input type="text" value="\$9.50"/>
<input type="text" value="1"/>	Movies Borrowed	<input type="text" value="\$4.00"/>
<input type="text" value="1"/>	CDs Borrowed	<input type="text" value="\$9.95"/>
<input type="text" value="1"/>	Music Downloaded	<input type="text" value="\$1.00"/>
<hr/>		
<input type="text" value="1"/>	Meeting Room Use (per hour)	<input type="text" value="\$25.00"/>
<input type="text" value="1"/>	Adult Program Attended	<input type="text" value="\$15.00"/>
<input type="text" value="1"/>	Young Adult Program Attended	<input type="text" value="\$12.00"/>
<input type="text" value="1"/>	Childrens Program Attended	<input type="text" value="\$7.00"/>
<input type="text" value="1"/>	Museum Passes Borrowed	<input type="text" value="\$20.00"/>
<input type="text" value="1"/>	Computer Use (per hour)	<input type="text" value="\$12.00"/>
<input type="text" value="1"/>	Database Searches	<input type="text" value="\$19.95"/>
<input type="text" value="1"/>	Reference Assistance	<input type="text" value="\$7.00"/>
<hr/>		
<input type="button" value="Calculate The Value of Your Library Use"/> <input type="button" value="Clear Form"/>		<input type="text" value="\$243.35"/>

This worksheet has been adapted from the [Massachusetts Library Association](#) and [Chelmsford Library](#). [How the values were calculated.](#)

## Library Use Value Calculator Explanations of Values

The cost figures for library services were derived by the [Massachusetts Library Association](#) based on the table below:

Library Service	Value of Service	Based On
Adult Books Borrowed	\$17.00	Amazon.com average price
Young Adult Books Borrowed	\$12.00	Amazon.com average price
Children Books Borrowed	\$17.00	Amazon.com average price
Audiobooks Borrowed	\$9.95	Audible.com download average
Interlibrary Loan Requests	\$25.00	Amazon.com average price plus shipping
eBooks Downloaded	\$15.00	Estimated B&N/Amazon average
Magazines Read	\$5.00	Estimated purchase price average
Newspapers Read	\$9.50	Boston Globe subscription (outside city)
Movies Borrowed	\$4.00	Estimated Netflix average
CDs Borrowed	\$9.95	iTunes download album average
Music Downloaded	\$1.00	iTunes download song average
Meeting Room Use (per hour)	\$25.00	Estimated value
Adult Programs Attended	\$15.00	Entertainment/program admission fee - estimated average per adult
Young Adult Programs Attended	\$12.00	Entertainment/program admission fee - estimated average per youth
Children's Programs Attended	\$7.00	Entertainment/program admission fee - estimated average per child
Museum Passes Borrowed	\$20.00	Museum admission fee - estimated average for two adults
Computer Use (per hour)	\$12.00	FedEx/Kinkos price
Database Searches	\$19.95	Average cost for online article search
Reference Assistance	\$7.00	Average library cost

[http://www.ala.org/advocacy/advleg/advocacyuniversity/toolkit/makingthecase/library\\_calculator](http://www.ala.org/advocacy/advleg/advocacyuniversity/toolkit/makingthecase/library_calculator)

[www.swissarmylibrarian.net/librarycalculator/valuecalc\\_costs.html](http://www.swissarmylibrarian.net/librarycalculator/valuecalc_costs.html)

# Individual Return on Investment Calculator

<http://www.irs.org/public/roi/usercalculator.php>

Which Colorado library do you visit?

**Your Personal ROI**

**\$49.64**

For every \$1.00 in taxes you invest in your library, you receive \$49.64 of value in return\*

Choose one

Please enter the number of times you use the following library services each month

Your Use	Library Services	Value of Services
<input type="text" value="1"/>	Books Borrowed per Month	\$ 15.00
<input type="text" value="1"/>	Magazines Borrowed per Month	\$ 2.00
<input type="text" value="1"/>	Videos Borrowed per Month	\$ 4.00
<input type="text" value="1"/>	Audio Books Borrowed per Month	\$ 10.00
<input type="text" value="1"/>	In-Library Magazine Use per Month	\$ 2.00
<input type="text" value="1"/>	Interlibrary Loans per Month	\$ 25.00
<input type="text" value="1"/>	Meeting Rooms Use (Hours per Month)	\$ 50.00
<input type="text" value="1"/>	Program/Class Attended per Month - Adult	\$ 10.00
<input type="text" value="1"/>	Program/Class Attended per Month - Child	\$ 6.00
<input type="text" value="1"/>	Computer Use (Hours per Month)	\$ 12.00
<input type="text" value="1"/>	Databases Used per Month (Number of Separate Databases)	\$ 20.00
<input type="text" value="1"/>	Reference Questions Asked per Month	\$ 7.00

Value you receive monthly from your library: \$163.00

For every \$1.00 in taxes you invest in your library, you receive \$49.64 of value in return\*

Calculate

Reset

### Where did these numbers come from?

Typical taxpayer contributions are determined from the library's 2012 local income per capita. For libraries in Colorado, this can be found at [data-tools/public-libraries/annual-statistics/](#). We borrowed value of library service figures from Maine State Library's [Library Use Value Calculator](#). For more information, see their [explanation](#).

### Put this on your site:

Feel free to copy and paste code from this calculator to create your own. Code can be found [here](#)

\*Your personal return on investment is based on your responses and the typical annual tax contribution for **Colorado library patrons**. You see a returned value of \$49.64 for every one dollar invested. Visit [data-tools/public-libraries/annual-statistics/](#) to find Local Income per Capita for Colorado's public libraries.

Calculate the Value of Services Used at Your Local Library		
Please input in the leftmost column the number of times you or your family have used the library services described below to learn how much it would have cost to purchase these services at estimated retail values.		
Input Your Quantity of Use	Library Services	Value of Services
<input type="text" value="1"/>	Book Borrowed	\$15
<input type="text" value="1"/>	Paperback Book Borrowed	\$12
<input type="text" value="1"/>	Children's Book Borrowed	\$12
<input type="text" value="1"/>	Audiobook Borrowed	\$25
<input type="text" value="1"/>	Interlibrary Loan Request	\$25
<input type="text" value="1"/>	eBook/Audiobook Downloaded	\$8
<input type="text" value="1"/>	Magazine Borrowed	\$2
<input type="text" value="1"/>	Video Borrowed (e.g., Blockbuster)	\$12
<input type="text" value="1"/>	CD Borrowed	\$20
<input type="text" value="1"/>	Museum Passes Borrowed	\$20
<input type="text" value="1"/>	Magazine Use in Library	\$2
<input type="text" value="1"/>	Meeting Room Use per Hour	\$50
<input type="text" value="1"/>	Auditorium Use per Hour	\$250
<input type="text" value="1"/>	Adult Programs Attended	\$10
<input type="text" value="1"/>	Children's Programs Attended	\$6
<input type="text" value="1"/>	Hours of Computer Use, e.g., Internet and MS Word	\$12
<input type="text" value="1"/>	Reference Questions Asked	\$7
	<b>Total Value</b>	<b>\$530</b>
<a href="#">Click here for further information on values.</a>		
Based on calculator developed by the Massachusetts Library Association		

Input Your Use	Library Services	Value of Services
<input type="text" value="1"/>	Books Borrowed	\$ 25.00
<input type="text" value="1"/>	Magazines Borrowed	\$ 3.00
<input type="text" value="1"/>	Videos Borrowed (e.g., Blockbuster)	\$ 4.99
<input type="text" value="1"/>	Books on Tape Borrowed	\$ 25.00
<input type="text" value="1"/>	State Park Passes Borrowed	\$ 8.00
<input type="text" value="1"/>	Magazine Use in Library	\$ 2.00
<input type="text" value="1"/>	Interlibrary Loan	\$ 25.00
<input type="text" value="1"/>	Meeting Room Use per Hour	\$ 50.00
<input type="text" value="1"/>	Auditorium Use per Hour	\$ 250.00
<input type="text" value="1"/>	Adult Programs Attended	\$ 15.00
<input type="text" value="1"/>	Children's Programs Attended	\$ 6.00
<input type="text" value="1"/>	Hours of Computer Use, e.g., Internet and MS Word	\$ 12.00
<input type="text" value="1"/>	Months of Use for Other Database Searching	\$ 19.95
<input type="text" value="1"/>	Reference Questions Asked	\$ 7.00
<a href="#">Calculate the Value of Your Library Use</a>		<a href="#">Clear Form</a> \$ 453.40

# How to Calculate the Return on Investment (ROI)

<http://www.maine.gov/msl/libs/statistics/roi.htm>

Use a combination of your most current annual report, other statistics you keep, and the Library Value Calculator. The annual report doesn't gather all of the numbers that the value calculator asks for. You may gather things like "Meeting Room Use Per Hour" in a separate manner from the annual report. If you have statistics for everything asked for in the value calculator, then use those numbers. If not, then there will be some blanks in the value calculator. That is OK. The ROI you calculate will still be valid.

## Fill out the value calculator

- 1 **Books Borrowed:** From your annual report, subtract Total Children's Circulation from Total Circulation. Put this number in the value calculator as Books Borrowed.
- 2 **Paperbacks Borrowed:** Get this number from your automated circulation system.
- 3 **Children's Books Borrowed:** From your annual report, use Total Children's Circulation.
- 4 **Magazines Borrowed:** Get this number from your automated circulation system.
- 5 **Movies Borrowed:** Get this number from your automated circulation system.
- 6 **Audio Books Borrowed:** Get this number from your automated circulation system.
- 7 **Museum Passes Borrowed:** Get this number from your regularly gathered statistics.
- 8 **Magazine/Newspaper Use in the Library:** This is an In-house use statistic that some libraries record all the time and some libraries designated a week every quarter to record. Some automation system allow for the scanning of items left on tables for an in house use statistic. You might also capture this number manually.
- 9 **Interlibrary Loan:** From your annual report, use Total Number of Interlibrary Loans Provided to Other Libraries.
- 10 **Meeting Room Use per Hour:** Get this number from your regularly gathered statistics.
- 11 **Auditorium Use per Hour:** Get this number from your regularly gathered statistics.
- 12 **Adult Programs and Classes Attended:** From your annual report, use Adult Program Attendance per year.
- 13 **Children's Programs Attended:** From your annual report, use Children's Program Attendance per Year.
- 14 **Hours of Computer Use:** From your annual report, use Number of Users of Internet Computers per Year.
- 15 **Reference Questions Asked:** From your annual report, use Number of Reference Transaction per year.

## Calculate the ROI

To calculate the ROI, divide the total number from the value calculator by the Total Local Revenue number from your annual report. This calculation results in the return on the investment in your library of every local dollar.

# Customization of the Library Use Value Calculator

<http://www.maine.gov/msl/services/customcal.htm>