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

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

## **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

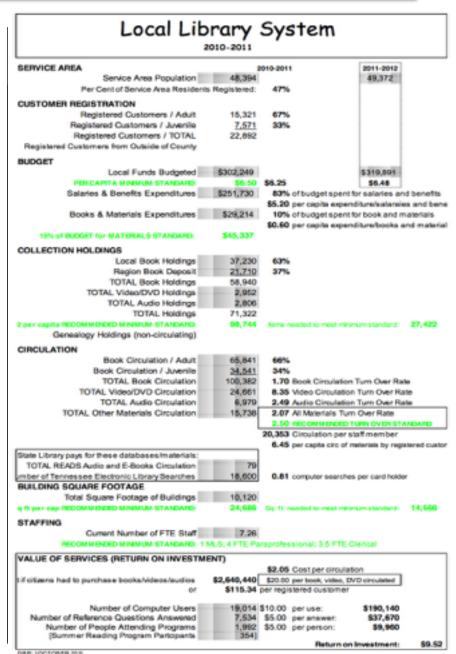
NUMBER OF PEOPLE ATTENDING PROGRAMS X \$5.00 PER PERSON = VALUE OF PROGRAMS

(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



Template for Annual Report Statistical Form at: <a href="http://rurallibrarydirectors.pbworks.com/w/file/50225866/">http://rurallibrarydirectors.pbworks.com/w/file/50225866/</a>
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State Library pays for these databases/materials:

TOTAL READS Audio and E-Books Circulation

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
1	Adult Books Borrowed	\$ 17.00
1	YA Books Borrowed	\$ 12.00
1	Childrens Books Borrowed	\$ 17.00
1	Audiobooks Borrowed	\$ 9.95
1	Interlibrary Loan Requests	\$ 25.00
1	eBooks Downloaded	\$ 15.00
1	Magazines Read	\$ 5.00
1	Newspapers Read	\$ 9.50
1	Movies Borrowed	\$ 4.00
1	CDs Borrowed	\$ 9.95
1	Music Downloaded	\$ 1.00
	Meeting Room Use (per hour)	\$ 25.00
1	Adult Program Attended	\$ 15.00
	Young Adult Program Attended	\$ 12.00
1	Childrens Program Attended	\$7.00
1	Museum Passes Borrowed	\$20.00
1	Computer Use (per hour)	\$ 12.00
1	Database Searches	\$ 19.95
1	Reference Assistance	\$7.00
Calcula	te The Value of Your Library Use   Clear Form	\$ 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		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

www.swissarmylibrarian.net/librarycalculator/valuecalc costs.html

## **Individual Return on Investment Calculator**

http://www.lrs.org/public/roi/usercalculator.php



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

Your Use	ise Library Services Value of		alue of Services
1	Books Borrowed per Month	\$	15.00
1	Magazines Borrowed per Month	\$	2.00
1	Videos Borrowed per Month	\$	4.00
1	Audio Books Borrowed per Month	\$	10.00
1	In-Library Magazine Use per Month	\$	2.00
1	Interlibrary Loans per Month	\$	25.00
1	Meeting Rooms Use (Hours per Month)	8	50.00
1	Program/Class Attended per Month - Adult	\$	10.00
1	Program/Class Attended per Month - Child	\$	6.00
1	Computer Use (Hours per Month)	\$	12.00
1	Databases Used per Month (Number of Separate Databases)	\$	20.00
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\*

Certifier

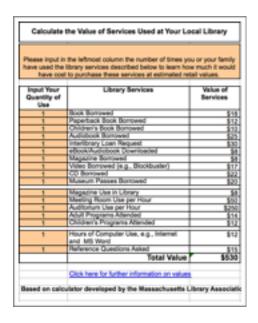
#### Where did these numbers come from?

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.



Input Your Use	Library Services	Value of Services
1	Books Borrowed	\$ 25.00
1	Magazines Borrowed	\$ 3.60
1	Videos Borrowed (e.g., Blockbuster)	\$ 4.99
1	Books on Tape Borrowed	\$ 25.00
1	State Park Passes Borrowed	\$ 8:00
1	Magazine Use in Library	\$ 2.00
1	Interlibrary Loan	\$ 25.00
1	Meeting Room Use per Hour	\$ 50.00
1	Auditorium Use per Hour	\$ 250.00
1	Adult Programs Attended	\$ 15.00
1	Children's Programs Attended	\$ 6:00
9	Hours of Computer Use, e.g., Internet and MS Word	\$ 12.00
1	Months of Use for Other Database Searching	\$ 19.95
1	Reference Questions Asked	\$ 7.00
Calmut	ate The Value of Your Library Use Clear Form	\$ 453.41

## 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

- **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.
- **Movies Borrowed**: Get this number from your automated circulation system.
- **Audio Books Borrowed**: Get this number from your automated circulation system.
- 7 Museum Passes Borrowed: Get this number from your regularly gathered statistics.
- 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.
- **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