

Carnegie Library of Pittsburgh Expense Break-Out 2009 and 2010

Carnegie Library of Pittsburgh's Board of Trustees recognizes the need to provide a new level of budget detail for Library stakeholders. One common request has been to provide branch-level detail for expenses. The Board's Finance Committee has released two spreadsheets with detail of the 2010 Operating Budget and two spreadsheets of actual costs for 2009. The first spreadsheet for each year breaks out expenses into the categories of Branches; Main Library; Administrative; and Technical, District and Youth Services. The second spreadsheet for each year further breaks out the Branch category by location. The slight increase in budget from 2009 to 2010 reflects the fact that operations and budget were cut significantly in 2009 in unsustainable ways. The Library's overall operating budget for 2010 is still less than it was in 2008.

The following information helps to explain the spreadsheets. A Frequently Asked Questions section is provided at the end of the document.

Branches

- **includes:** the direct costs to operate branches, including salaries, supplies and basic building costs, such as utilities, maintenance and direct branch support.
- **does not include:** computers, Internet access and other technology costs; cost to market and promote programs and services; allocation of other administrative support services such as human resource management or financial services; long-term capital costs.

Main Library

- **includes:** the direct costs to operate library service departments located at Main Library, such as Children's, Film and Audio, First Floor, Reference, Shelving and Conservation. Included are salaries, supplies and basic building costs, such as utilities and maintenance, as well as overall supervision.
- **does not include:** computers, Internet access and other technology costs; cost to market and promote programs and services; allocation of other administrative support services such as human resource management or financial services; long-term capital costs.

Administrative

- **includes:** salaries, supplies and operating costs for such administrative services as fundraising, marketing and communications, finance, facilities management, human resources, information technology, volunteer services and the Library Director and Deputy Director. Included are system-wide costs for computers and technology services; marketing and advertising, equipment service, repair and rental; supplies; continuing education and training; unallocated system-wide benefits and conference travel. Includes debt service on a RAD supported bond-issue for system-wide capital improvements.
- **does not include:** allocation for building costs where the offices reside, such as certain insurance, utilities or telephone.

Technical, District and Youth Services

- **includes:** the direct costs to provide services related to the Library's role as the District Library Center serving Allegheny County. These include shipping, interlibrary loan, district-wide support and programming for youth programs and continuing education. Technical Services also includes the ordering, processing and cataloging of books.
- **does not include:** computers, Internet access and other technology costs; cost to market and promote programs and services; allocation of other administrative support services such as human resource management or financial services; long-term capital costs.

Carnegie Library of Pittsburgh Expense Break-out Summary

2010 Budget

		Branches	Main Library	Administrative	Technical District & Youth Services	Total
EXPENDITURES						
LIBRARY MAIN AND BRANCHES						
	Salaries Full Time	2,961,188	2,540,514	2,273,638	1,632,659	9,408,000
	Salaries Part Time	528,800	549,000	40,200	116,000	1,234,000
	Taxes & Benefits	891,110	767,161	680,877	538,853	2,878,000
	Library Materials	934,706	1,260,419	13,000	901,875	3,110,000
	Other Expenses					
	<i>Computers, Copiers, IT & Tech Services</i>	52,758	53,786	525,349	260,542	892,436
	<i>Fundraising & Communication</i>	-	-	440,845	-	440,845
	<i>Supplies</i>	48,572	105,135	70,965	34,143	258,816
	<i>Continuing Education, Training and other HR Services</i>	2,640	1,675	75,000	4,650	83,965
	<i>Local mileage, In-State and Conference Travel</i>	15,316	16,198	47,423	22,957	101,894
	<i>Pass-thru to ACLA for District Services</i>	-	-	-	122,044 ³	122,044
		119,287	176,794	1,159,582	444,337	1,900,000
	Total Library Departments	5,435,092	5,293,888	4,167,297	3,633,724	18,530,000
BUILDINGS AND GROUNDS						
	Salaries Full Time	203,619	78,452	0	12,929	295,000
	Salaries Part Time	32,955	66,044	0	0	99,000
	Taxes & Benefits	75,387	38,022	0	6,591	120,000
	Capital Maintenance	120,183	231,573	0	148,244	500,000
	Other (Preventative maintenance, plumbing, elevator, electrician, carpentry, landscaping, floor care, custodial supplies, etc)	234,621	421,491	11,654	17,235	685,000
	Total Buildings and Grounds	666,765	835,582	11,654	184,999	1,699,000
SECURITY						
	Salaries Full Time	96,746	113,254	0	0	210,000
	Salaries Part Time	63,591	31,409	0	0	95,000
	Taxes & Benefits	33,415	38,585	0	0	72,000
	Other (Alarm system, book security equipment and security supplies)	64,612	91,891	0	1,497	158,000
	Total Security	258,363	275,139	0	1,497	534,999
OTHER SUPPORT						
	Rent	260,000	0	0	0	260,000
	Utilities	764,600	635,500	0	39,900	1,440,000
	Insurance	89,324	112,771	980	14,925	218,000
	Telephone	38,000	77,000	0	5,000	120,000
	Legal	0	0	60,000	0	60,000
	Audit	0	0	30,000	0	30,000
	Debt Service	0	0	1,000,000 ²	0	1,000,000
	Vehicle Leases	0	0	2,228	45,772	48,000
	Contingency to cover potential revenue shortfalls	0	0	300,000	0	300,000
	Total Other Support	1,151,924	825,271	1,393,208	105,597	3,476,000
	TOTAL EXPENDITURES	7,512,144¹	7,229,881¹	5,572,159	3,925,817	24,240,000

1. Branch and Main expenses do not reflect the full cost of doing business, as costs such as computers, Internet, marketing and transportation of Library materials are included under Administration and Technical/District Services. Long-term capital costs are also not included in the operating budget.
2. Debt service on a RAD supported bond-issue for system-wide capital improvements.
3. CLP receives state funding, which is passed on for shared services provided by the Allegheny County Library Association (ACLA), such as bookmobile and youth services.

**Carnegie Library of Pittsburgh
Expense Break-out by Branch**

2010 Budget

	Allegheny Depository	Allegheny	Beechview	Brookline	Carrick	Downtown	East Liberty	Hazelwood	Hill District	Homewood	Knoxville	Lawrenceville	Mt Washington	Sheraden	South Side	Squirrel Hill	West End	Woods Run	Direct Branch Support	Total
EXPENDITURES																				
LIBRARY SERVICE																				
Salaries and Benefits	\$0	\$300,333	\$166,941	\$218,361	\$171,313	\$638,269	\$235,798	\$173,458	\$172,914	\$193,199	\$221,030	\$159,074	\$192,282	\$141,938	\$199,076	\$704,307	\$115,661	\$172,655	\$204,490	\$4,381,098
Library Materials	\$0	\$50,706	\$35,000	\$60,000	\$42,000	\$190,000	\$50,000	\$32,000	\$35,000	\$45,000	\$35,000	\$42,000	\$43,000	\$32,000	\$42,000	\$120,000	\$31,000	\$50,000	\$0	\$934,706
Other (Office and Program supplies, honoraria, equipment, postage, travel, etc)	\$0	\$8,400	\$5,636	\$8,846	\$5,629	\$22,336	\$2,158	\$3,104	\$4,133	\$4,996	\$4,169	\$3,396	\$2,726	\$2,821	\$3,173	\$13,630	\$3,051	\$5,686	\$15,397	\$119,287
Total Library Service	\$0	\$359,439	\$207,577	\$287,208	\$218,941	\$850,605	\$287,956	\$208,563	\$212,047	\$243,195	\$260,199	\$204,470	\$238,008	\$176,759	\$244,249	\$837,937	\$149,712	\$228,341	\$219,887	\$5,435,092
Total Buildings and Grounds	\$15,717	\$21,396	\$26,769	\$47,720	\$17,288	\$10,607	\$55,480	\$21,061	\$75,355	\$61,219	\$43,925	\$27,459	\$30,705	\$26,272	\$46,105	\$68,647	\$29,894	\$41,146	\$0	\$666,765
Total Security	\$1,299	\$25,947	\$8,653	\$5,826	\$1,231	\$58,358	\$3,694	\$12,326	\$23,182	\$19,994	\$26,544	\$1,353	\$1,044	\$8,908	\$8,767	\$36,243	\$1,250	\$13,747	\$0	\$258,363
OTHER SUPPORT																				
Rent	\$0	\$0	\$0	\$0	\$0	\$234,800	\$0	\$25,200	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$260,000
Utilities	\$320,000	\$33,350	\$14,350	\$16,550	\$9,850	\$38,000	\$39,300	\$7,000	\$24,300	\$47,450	\$27,550	\$24,700	\$12,850	\$18,450	\$18,900	\$80,850	\$10,250	\$20,900	\$0	\$764,600
Insurance	\$21,273	\$6,846	\$2,060	\$5,124	\$1,331	\$3,143	\$8,137	\$1,428	\$4,814	\$8,185	\$2,506	\$2,622	\$1,645	\$1,827	\$2,610	\$11,189	\$1,550	\$3,034	\$0	\$89,324
Telephone	\$2,900	\$2,600	\$1,300	\$1,200	\$950	\$9,800	\$1,800	\$1,400	\$2,600	\$1,400	\$1,250	\$1,100	\$1,000	\$1,400	\$1,650	\$2,850	\$1,300	\$1,500	\$0	\$38,000
Total Other Support	\$344,173	\$42,796	\$17,710	\$22,874	\$12,131	\$285,743	\$49,237	\$35,028	\$31,714	\$57,035	\$31,306	\$28,422	\$15,495	\$21,677	\$23,160	\$94,889	\$13,100	\$25,434	\$0	\$1,151,924
TOTAL EXPENDITURES ¹	\$361,189	\$449,578	\$260,708	\$363,628	\$249,592	\$1,205,312²	\$396,367³	\$276,977	\$342,297	\$381,442	\$361,975	\$261,704	\$285,252	\$233,616	\$322,281	\$1,037,716	\$193,956	\$308,668	\$219,887	\$7,512,144
<p>1. Branch expenses do not reflect the full cost of doing business, as costs such as computers, internet, marketing and transportation of library materials are included under Administration and Technical/District Services. Long-term capital costs are also not included in the operating budget.</p> <p>2. In January 2010, the Library's Foundation Center moved from CLP-Downtown & Business to CLP-Main, thus altering the 2010 budget for each location.</p> <p>3. Partial year expenses are budgeted for CLP-East Liberty, as it is closed for renovations January through July, 2010.</p>																				

Carnegie Library of Pittsburgh Expense Break-out Summary

2009 Actual

		Branches	Main Library	Administrative	Technical District & Youth Services	Total
EXPENDITURES						
LIBRARY MAIN AND BRANCHES						
	Salaries Full Time	\$2,946,366	\$2,381,615	\$2,217,766	\$1,615,057	\$9,160,803
	Salaries Part Time	\$486,749	\$501,178	\$43,001	\$114,209	\$1,145,137
	Taxes & Benefits	\$837,973	\$692,944	\$986,262 ²	\$534,021	\$3,051,199
	Library Materials	\$820,551	\$1,064,539	\$11,110	\$976,227	\$2,872,427
	Other:					
	<i>Computers, Copiers, IT & Tech Services</i>	\$55,515	\$56,586	\$410,089	\$309,804	\$831,994
	<i>Fundraising & Communication</i>	\$0	\$0	\$397,454	\$0	\$397,454
	<i>Supplies</i>	\$55,301	\$107,912	\$90,850	\$33,679	\$287,741
	<i>Continuing Education, Training and other HR Services</i>	\$1,196	\$988	\$74,650	\$1,143	\$77,976
	<i>Local mileage, In-state and Conference Travel</i>	\$11,949	\$13,234	\$31,392	\$21,168	\$77,743
	<i>Pass-through to ACLA for District Services</i>	\$0	\$0	\$0	\$132,965 ⁴	\$132,965
	Total Other	\$123,960	\$178,720	\$1,004,434	\$498,759	\$1,805,873
	Total Library Departments	\$5,215,599	\$4,818,995	\$4,262,572	\$3,738,272	\$18,035,439
BUILDINGS AND GROUNDS						
	Salaries Full Time	\$170,538	\$84,908	\$0	\$12,445	\$267,891
	Salaries Part Time	\$36,067	\$33,725	\$0	\$0	\$69,792
	Taxes & Benefits	\$64,545	\$21,259	\$0	\$6,659	\$92,464
	Capital Maintenance	\$235,679	\$407,284	\$0	\$68,679	\$711,641
	Other (Preventative maintenance, plumbing, elevator, electrician, carpentry, landscaping, floor care, custodial supplies, etc)	\$243,640	\$437,692	\$12,214	\$17,897	\$711,443
	Total Buildings and Grounds	\$750,468	\$984,869	\$12,214	\$105,680	\$1,853,231
SECURITY						
	Salaries Full Time	\$95,320	\$102,814	\$0	\$0	\$198,134
	Salaries Part Time	\$81,424	\$15,970	\$0	\$0	\$97,395
	Taxes & Benefits	\$37,234	\$20,141	\$0	\$0	\$57,376
	Other (Alarm system, book security equipment and security supplies)	\$41,209	\$58,608	\$0	\$955	\$100,772
	Total Security	\$255,188	\$197,534	\$0	\$955	\$453,676
OTHER SUPPORT						
	Rent	\$268,165	\$0	\$0	\$0	\$268,165
	Utilities	\$659,246	\$578,683	\$0	\$36,887	\$1,274,816
	Insurance	\$86,305	\$104,945	\$885	\$14,751	\$206,887
	Telephone	\$40,868	\$81,186	\$0	\$5,292	\$127,346
	Legal	\$0	\$0	\$56,880	\$0	\$56,880
	Audit	\$0	\$0	\$22,300	\$0	\$22,300
	Debt Service	\$0	\$0	\$995,211 ³	\$0	\$995,211
	Vehicle Leases	\$0	\$0	\$6,561	\$26,805	\$33,366
	Contingency	\$0	\$0	\$0	\$0	\$0
	Total Other Support	\$1,054,583	\$764,814	\$1,081,838	\$83,736	\$2,984,971
	TOTAL EXPENDITURES	\$7,275,839¹	\$6,766,212²	\$5,356,625	\$3,928,643	\$23,327,317

1. Branch and Main expenses do not reflect the full cost of doing business, as costs such as computers, Internet, marketing and transportation of Library materials are included under Administration and Technical/District Services. Long-term capital costs are also not included in the operating budget.

2. Includes one-time workforce reduction incentive payments.

3. Debt service on a RAD supported bond-issue for system-wide capital improvements.

4. CLP receives state funding, which is passed on for shared services provided by the Allegheny County Library Association (ACLA), such as bookmobile and youth services.

**Carnegie Library of Pittsburgh
Expense Break-out by Branch**

2009 Actual

	Allegheny Depository	Allegheny	Beechview	Brookline	Carrick	Downtown	East Liberty	Hazelwood	Hill District	Homewood	Knoxville	Lawrenceville	Mt Washington	Sheraden	South Side	Squirrel Hill	West End	Woods Run	Direct Branch Support	Total
EXPENDITURES																				
LIBRARY SERVICE																				
Salaries Full Time	\$24,356	\$173,265	\$161,709	\$204,929	\$160,785	\$768,523	\$263,244	\$159,983	\$168,289	\$189,304	\$178,904	\$131,377	\$191,564	\$132,906	\$188,787	\$701,041	\$110,831	\$160,920	\$200,372	\$4,271,089
Library Materials	\$16,463	\$24,971	\$29,660	\$56,511	\$40,389	\$181,280	\$27,109	\$26,393	\$29,514	\$40,309	\$32,883	\$32,587	\$40,397	\$28,039	\$40,094	\$104,743	\$23,448	\$45,763	\$0	\$820,551
Other (Office and Program supplies, honoraria, equipment, postage, travel, etc)	\$3,830	\$7,221	\$4,977	\$8,661	\$5,485	\$27,422	\$2,797	\$3,260	\$4,358	\$7,653	\$3,973	\$2,620	\$3,770	\$3,537	\$3,335	\$17,473	\$1,675	\$5,672	\$6,240	\$123,960
Total Library Service	\$44,649	\$205,457	\$196,345	\$270,101	\$206,660	\$977,224	\$293,150	\$189,636	\$202,161	\$237,266	\$215,760	\$166,584	\$235,731	\$164,483	\$232,217	\$823,256	\$135,954	\$212,355	\$206,611	\$5,215,599
Total Buildings and Grounds	\$16,321	\$16,606	\$26,193	\$44,942	\$17,252	\$9,180	\$31,079	\$21,540	\$50,621	\$55,989	\$33,203	\$23,109	\$28,695	\$26,879	\$35,559	\$248,499	\$30,633	\$34,168	\$0	\$750,468
Total Security	\$734	\$11,167	\$4,643	\$3,716	\$785	\$54,229	\$22,697	\$9,875	\$21,655	\$16,952	\$25,683	\$863	\$666	\$11,437	\$7,799	\$47,815	\$797	\$13,677	\$0	\$255,188
OTHER SUPPORT																				
Rent	\$0	\$0	\$0	\$0	\$0	\$242,965	\$0	\$25,200	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$268,165
Utilities	\$228,693	\$12,719	\$14,399	\$15,784	\$9,361	\$37,438	\$65,667	\$6,941	\$20,632	\$41,883	\$25,965	\$24,260	\$13,274	\$19,739	\$17,371	\$72,829	\$11,212	\$21,079	\$0	\$659,246
Insurance	\$22,029	\$1,871	\$2,099	\$5,180	\$1,370	\$3,308	\$8,605	\$1,437	\$4,181	\$8,569	\$2,626	\$2,784	\$1,692	\$1,849	\$2,818	\$11,278	\$1,603	\$3,006	\$0	\$86,305
Telephone	\$3,064	\$78	\$1,408	\$1,290	\$988	\$10,392	\$5,071	\$1,492	\$2,788	\$1,518	\$1,321	\$1,155	\$1,106	\$1,481	\$1,749	\$3,016	\$1,366	\$1,585	\$0	\$40,868
Total Other Support	\$253,785	\$14,669	\$17,906	\$22,254	\$11,719	\$294,102	\$79,343	\$35,070	\$27,601	\$51,971	\$29,912	\$28,200	\$16,072	\$23,069	\$21,938	\$87,122	\$14,182	\$25,670	\$0	\$1,054,583
TOTAL EXPENDITURES ¹	\$315,489	\$247,898 ²	\$245,087	\$341,013	\$236,416	\$1,334,736	\$426,268 ³	\$256,121	\$302,037	\$362,177	\$304,558	\$218,756	\$281,163	\$225,868	\$297,512	\$1,206,692	\$181,566	\$285,870	\$206,611	\$7,275,839
<p>1. Branch expenses do not reflect the full cost of doing business, as costs such as computers, internet, marketing and transportation of library materials are included under Administration and Technical/District Services. Long-term capital costs are also not included in the operating budget.</p> <p>2. Reflects partial-year expenses, as CLP-Allegheny was closed for renovations January through July, 2009.</p> <p>3. Reflects partial-year expenses, as CLP-East Liberty was closed for renovations June through December 2009.</p>																				

Frequently Asked Questions

Q. What has caused the delay in releasing branch expense detail?

The Library wanted to provide actual, audited figures for 2009 expenditures. The Library first worked to complete the Special Audit called for by the Allegheny Regional Asset District (RAD). The Library's regular annual audit was completed in the spring of 2010, with audited figures approved at the May board meeting. These spreadsheets were then compiled for release to the public.

Q. Are the costs shown here the total cost of running a branch?

No. Many costs, including the cost of computers, Internet service, marketing and fundraising, transportation of Library materials and other services are not allocated out to each location but are encapsulated under the categories of "Administration" or "Technical, District and Youth Services." Additionally, long-term capital costs (to maintain, renovate or upgrade facilities) are not shown here. All of these are very real costs of doing business, and the Library will consider how to fine-tune future reports.

Q. Why are the total costs not allocated?

The Library uses this format for its budgets and reports for RAD and for daily operating purposes. In order to get this information out without further delay, the standard format was used.

Q. How do operating costs for individual branches affect decisions about potential branch closures?

Operating costs are only one factor considered in making decisions about specific branches and the Library system as a whole. The Background Information page on the Library's Web site <http://www.carnegielibrary.org/about/future/background/> provides more detail about the Library system. The Board recognizes the community support for branch libraries and continues to examine all information while it seeks a long-term funding solution.

Q. I thought new buildings were more efficient to run. Why do some new buildings have higher utility costs than older buildings?

Utility costs are affected by the size of the building, hours of operation, times of peak use, and other factors, such as whether the building has air conditioning or not. Renovated buildings are designed to be more energy efficient than older buildings, but costs may be higher due to the factors listed above.

Q. How do Administrative costs for CLP compare with those of other organizations?

The Special Audit conducted by ParenteBeard LLC on behalf of RAD compared Carnegie Library of Pittsburgh (CLP) to other similarly-sized libraries and local nonprofit cultural organizations. Auditors found that expenses in all categories were in line with those of comparable organizations. CLP's 2010 budget shows administrative costs at 23% of the total expenses. Even with debt service on the capital campaign as well as unallocated direct costs included under "administration," CLP's administrative expenses are well below national benchmarks of 35 – 40%.

Benchmarks for the % of administrative costs to total expenses:

- Panel on the Nonprofit Sector (35%)
- American Institute of Philanthropy (40% reasonable; to be "top-rated is 25%)
- Better Business Bureau Wise Giving Alliance (35%)