

OKLAHOMA DEPARTMENT OF LIBRARIES  
OKLAHOMA DOCUMENTS  
COPY 3

**OKLAHOMA LEGISLATIVE COUNCIL**

PERFORMANCE AUDIT

OKLAHOMA DEPARTMENT  
OF LIBRARIES



SUBMITTED TO THE SUBCOMMITTEE ON FISCAL OPERATIONS

MAY 30, 1977



PERFORMANCE AUDIT

OKLAHOMA DEPARTMENT OF LIBRARIES

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Submitted:

To: Subcommittee on Fiscal Operations

BY: Postaudit Section  
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## PREFACE

This report presents the findings of the Performance Audit of the Oklahoma Department of Libraries (ODL). The audit was performed at the direction of the Legislative Council Subcommittee on Fiscal Operations.

The purpose of a postaudit is to study the management, operations, programs, and fiscal needs of an agency (74 O.S. Supp. 1975, § 452.3). A performance postaudit is defined to mean "an examination of the effectiveness of administration and its efficiency and adequacy in terms of the program of a state agency, authorized by law to be performed, and the conformance of expenditures with legislative intent in the appropriation of funds (74 O.S. Supp. 1975, § 452.3). The performance audit does not include a fiscal audit and does not attempt to specifically identify or define questions of legality concerning the activities audited.

The audit was initiated on March 24, 1977, with field work completed on May 10, 1977. An exit interview was held on May 19, 1977, at which time the audit findings were presented to the Department of Libraries Board and the Agency Director.

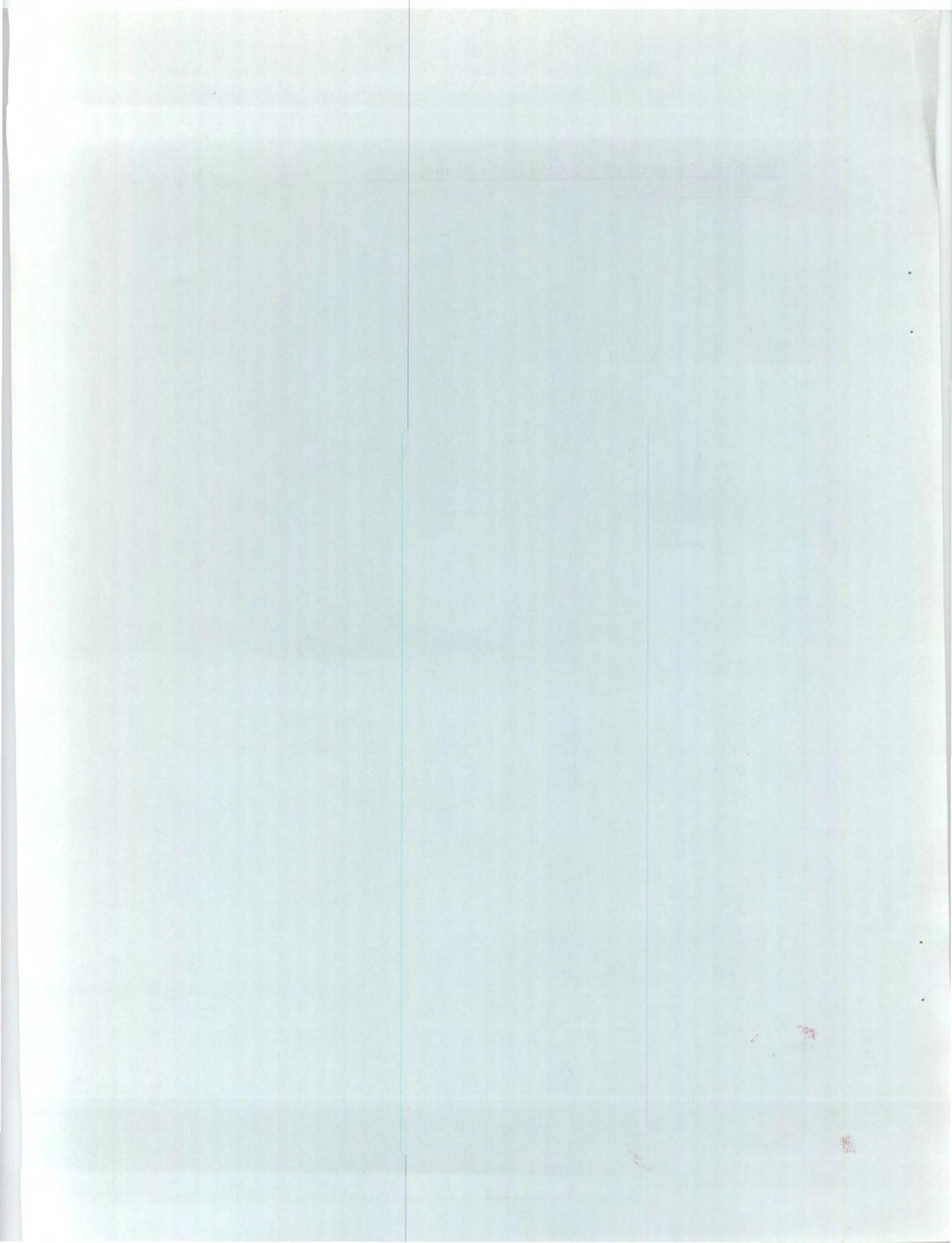
We would like to thank the personnel of the Oklahoma Department of Libraries for their cooperation and courtesy during our audit.

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Oklahoma Department of Library's Response to  
Audit Findings



## INTRODUCTION

The Oklahoma Department of Libraries' (ODL) responsibilities and functions are as follows:

### 65 O.S. 1971, § 3-101

The Department shall be the official agency of the State and shall discharge the responsibilities and exercise the authority of the State with respect to all public and special libraries. The Department shall cooperate with other State agencies, local units of government, Federal agencies and private individuals and organizations with respect to library facilities and services, or any allied or related facilities and services. The Department shall be responsible for the receipt and administration of all State funds and such Federal funds as may be administered by a State agency, may receive and administer private and other funds, for libraries, library services or any allied or related services.

### 65 O.S. 1971, § 3-105

The departmental functions shall include but not be limited to library services, library research, library development, archival, records management and preservation, legislative reference, legal reference, general reference, library promotion and public information, informational, information processing and retrieval, government documents and any allied, cognate or related functions, and the Department shall be the authority of the State for these functions.

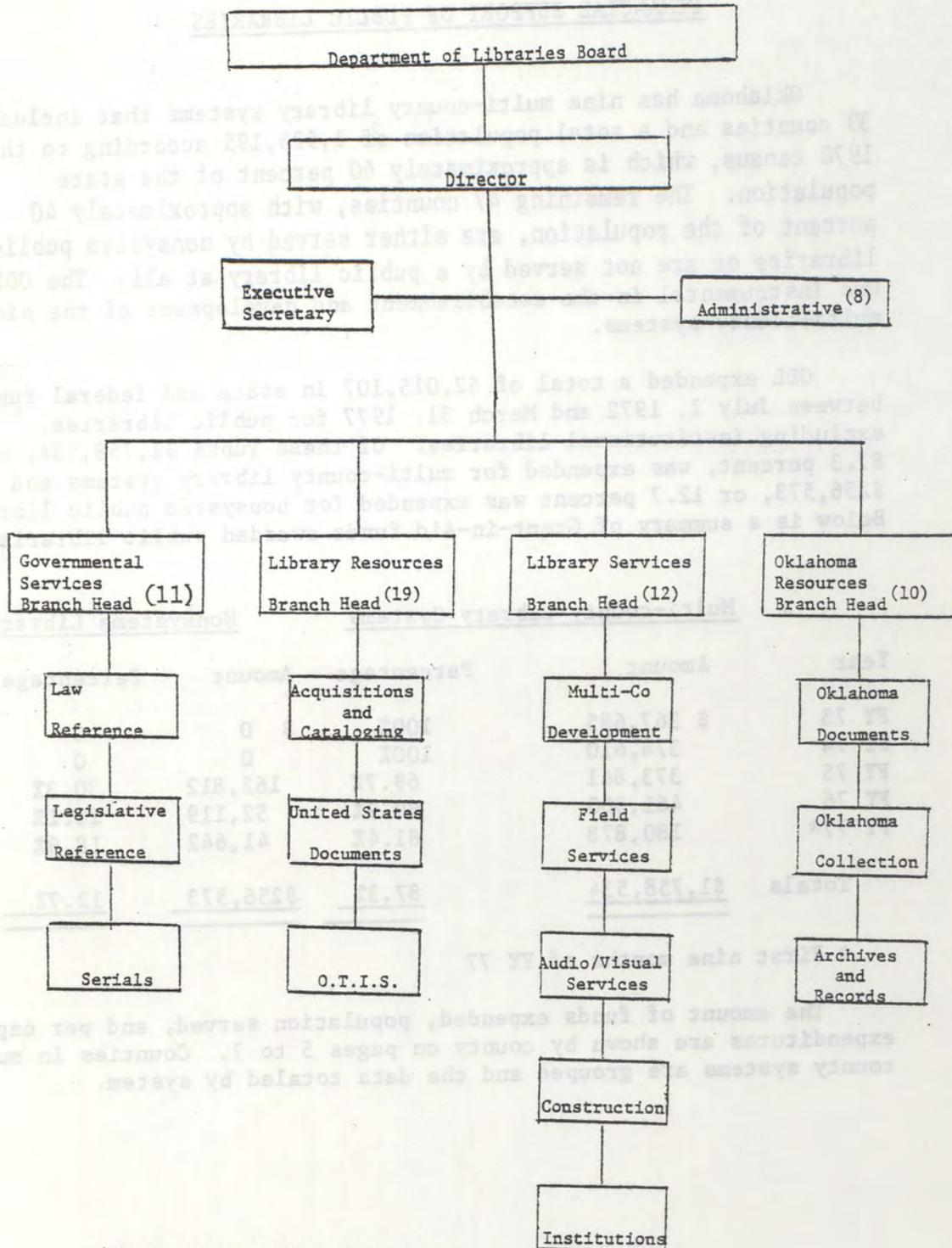
The Department is authorized and directed to discharge the State's responsibility for library service, including service to State government, to public and special libraries and library services, cooperation with and rendering of services to local units of government in the establishment and operation of local libraries and library systems, and the performance of all technical and other services necessary to the Department. The Department shall assist with and supervise the establishment and operation of libraries at all State institutions and agencies, except public schools and institutions of higher learning.

ODL is governed by a Board consisting of seven appointed members and the Agency Director, who shall be an ex-officio non-voting member. The present Director has been with ODL since September 1976.

ODL is organized into four branches and an Administrative office (See organization chart page 3). The Government Services Branch is responsible for providing general and law reference services to the governor's office, courts, legislature, state agencies and the general public. The general collection in the Capitol focuses primarily on political science, sociology, law and criminology. The Library Resources Branch is responsible for the acquisition of all materials, implementation of automated bibliographic and cataloging services for the department, and circulation and interlibrary loan functions. The branch serves as the Regional Depository for U.S. Government documents. The Library Services Branch is responsible for library development and offers consultant services to librarians, library boards, officials and citizens interested in improving library services. The Oklahoma Resources Branch is responsible for maintaining collections of materials of Oklahoma history, government, and literature. The Administrative Office is responsible for accounting and budgeting functions and federal program coordination and reporting.

ODL's authorized full-time-equivalent employees for FY 1977 was 63, but was adjusted to 68 in December 1976 by the State Employment Review Board. The department's organization chart is presented on the following page. FY 1977 ODL appropriations totaled \$1,033,412. Of this, \$742,767 was for operations; \$164,920 was for books, periodicals, newspapers, and audiovisual materials; and \$125,725 was for the development and expansion of public library services.

OKLAHOMA DEPARTMENT OF LIBRARIES  
ORGANIZATION CHART



\* Number in parenthesis indicates personnel assigned to the Branch.

## FINDINGS

### FINANCIAL SUPPORT OF PUBLIC LIBRARIES

Oklahoma has nine multi-county library systems that include 30 counties and a total population of 1,525,195 according to the 1970 census, which is approximately 60 percent of the state population. The remaining 47 counties, with approximately 40 percent of the population, are either served by nonsystem public libraries or are not served by a public library at all. The ODL was instrumental in the establishment and development of the nine multi-county systems.

ODL expended a total of \$2,015,107 in state and federal funds between July 1, 1972 and March 31, 1977 for public libraries, excluding institutional libraries. Of these funds \$1,758,534, or 87.3 percent, was expended for multi-county library systems and \$256,573, or 12.7 percent was expended for nonsystem public libraries. Below is a summary of Grant-in-Aid funds awarded public libraries.

| Year   | <u>Multi-county Library Systems</u> |              | <u>Nonsystems Libraries</u> |              |
|--------|-------------------------------------|--------------|-----------------------------|--------------|
|        | Amount                              | Percentage   | Amount                      | Percentage   |
| FY 73  | \$ 367,685                          | 100%         | \$ 0                        | 0            |
| FY 74  | 374,610                             | 100%         | 0                           | 0            |
| FY 75  | 373,861                             | 69.7%        | 162,812                     | 30.3%        |
| FY 76  | 461,500                             | 89.9%        | 52,119                      | 10.1%        |
| FY 77* | 180,878                             | 81.4%        | 41,642                      | 18.6%        |
| Totals | <u>\$1,758,534</u>                  | <u>87.3%</u> | <u>\$256,573</u>            | <u>12.7%</u> |

\* First nine months of FY 77

The amount of funds expended, population served, and per capita expenditures are shown by county on pages 5 to 7. Counties in multi-county systems are grouped and the data totaled by system.

ODL FUNDS ALLOCATED TO COUNTIES  
FY 1973 THROUGH MARCH OF FY 1977

SYSTEM LIBRARIES

|   | <u>Amount</u>      | <u>Population</u> <sup>1</sup> | <u>Amount<br/>Per Capita</u> |
|---|--------------------|--------------------------------|------------------------------|
| Chickasaw Library System                                      | \$15,974           | 78,022                         | \$0.20                       |
| Atoka, *Carter, Coal<br>Johnston, Love, Murray                |                    |                                |                              |
| Choctaw Nations Multi-county<br>Library System                | 360,674            | 131,620                        | 2.74                         |
| Choctaw, Haskell, Latimer<br>Leflore, McCurtain, *Pittsburg   |                    |                                |                              |
| Eastern Oklahoma District<br>Library                          | 332,511            | 151,466                        | 2.20                         |
| Adair, Cherokee, Delaware<br>McIntosh, *Muskogee,<br>Sequoyah |                    |                                |                              |
| Oklahoma County Libraries<br>System                           | 229,616            | 526,805                        | 0.44                         |
| Pioneer Multi-county Library                                  | 198,109            | 139,130                        | 1.42                         |
| *Cleveland, McClain,<br>Pottawatomie                          |                    |                                |                              |
| Southern Prairie Library System                               | 339,711            | 36,038                         | 9.43                         |
| Harmon, *Jackson  |                    |                                |                              |
| Tulsa City-County Library<br>System                           | 112,739            | 401,663                        | 0.28                         |
| Western Plains Library System                                 | 169,200            | 44,914                         | 3.77                         |
| *Custer, Dewey, Roger Mills,<br>Washita                       |                    |                                |                              |
| Woodward County   | 0                  | 15,537                         |                              |
| Total   | <u>\$1,758,534</u> | <u>\$1,525,195</u>             |                              |
| Average Per Capita  |                    |                                | <u>\$1.15</u>                |
| <sup>1</sup> 1970 Census Information                          |                    |                                |                              |

\* Service Center located in this county

NONSYSTEM COUNTIES

| <u>County</u> | <u>Amount</u> | <u>Population</u> | <u>Amount<br/>Per Capita</u> |
|---------------|---------------|-------------------|------------------------------|
| Alfalfa       | \$ 0          | 7,224             | \$ 0                         |
| Beaver        | 0             | 6,282             | 0                            |
| Beckham       | 1,000         | 15,754            | 0.06                         |
| Blaine        | 0             | 11,794            | 0                            |
| Bryan         | 0             | 25,552            | 0                            |
| Caddo         | 0             | 28,931            | 0                            |
| Canadian      | 0             | 32,245            | 0                            |
| Cimarron      | 0             | 4,145             | 0                            |
| Comanche      | 14,353        | 108,144           |                              |
| Cotton        | 0             | 6,832             | 0                            |
| Craig         | 70,500        | 14,722            | 4.79                         |
| Creek         | 0             | 45,532            | 0                            |
| Ellis         | 0             | 5,129             | 0                            |
| Garfield      | 16,715        | 55,365            | 0.30                         |
| Garvin        | 0             | 24,874            | 0                            |
| Grady         | 1,250         | 29,354            | 0.04                         |
| Grant         | 0             | 7,117             | 0                            |
| Greer         | 0             | 7,979             | 0                            |
| Harper        | 0             | 5,151             | 0                            |
| Hughes        | 0             | 13,228            | 0                            |
| Jefferson     | 0             | 7,125             | 0                            |
| Kay           | 12,600        | 48,791            | 0.26                         |
| Kingfisher    | 0             | 12,857            | 0                            |

NONSYSTEM COUNTIES CONTINUED

| <u>County</u>             | <u>Amount</u>    | <u>Population</u> | <u>Amount<br/>Per Capita</u> |
|---------------------------|------------------|-------------------|------------------------------|
| Kiowa                     | \$ 0             | \$ 12,532         | 0                            |
| Lincoln                   | 0                | 19,482            | 0                            |
| Logan                     | 0                | 19,645            | 0                            |
| Major                     | 0                | 7,529             | 0                            |
| Marshall                  | 0                | 7,682             | 0                            |
| Mayes                     | 0                | 23,302            | 0                            |
| Noble                     | 1,000            | 10,043            | 0.10                         |
| Nowata                    | 0                | 9,773             | 0                            |
| Okfuskee                  | 0                | 10,683            | 0                            |
| Okmulgee                  | 0                | 35,358            | 0                            |
| Osage                     | 0                | 29,750            | 0                            |
| Ottawa                    | 20,000           | 29,800            | 0.67                         |
| Pawnee                    | 0                | 11,338            | 0                            |
| Payne                     | 8,660            | 50,654            | 0.17                         |
| Pontotoc                  | 0                | 27,867            | 0                            |
| Pushmataha                | 0                | 9,385             | 0                            |
| Rogers                    | 0                | 28,425            | 0                            |
| Seminole                  | 96,000           | 25,144            | 3.82                         |
| Stephens                  | 3,500            | 35,902            | 0.10                         |
| Texas                     | 4,995            | 16,352            | 0.31                         |
| Tillman                   | 4,000            | 12,901            | 0.31                         |
| Wagoner                   | 0                | 22,163            | 0                            |
| Washington                | 2,000            | 42,277            | 0.05                         |
| Woods                     | 0                | 11,920            | 0                            |
| <b>Total</b>              | <u>\$256,573</u> | <u>1,034,024</u>  |                              |
| <b>Average Per Capita</b> |                  |                   | <u>\$0.25</u>                |

As evidenced by the charts showing the allocation of state and federal funds to system and nonsystem counties over the past five fiscal years, 87.3 percent of the noninstitution grant funds were expended for multi-county systems. All state appropriated grant-in-aid funds were expended for multi-county systems.

Prior to 1977, procedures and grant standards established by ODL have precluded most nonsystem libraries and all areas not served by any library from receiving state or federal funds. This is contrary to expressed legislative intent.

Oklahoma statutes establish the state's policy as the establishment, development and operation of libraries and library systems throughout the state with the goal of providing adequate library services to all people of the state (65 O.S. 71, § 1-103); and, "all counties or others not covered by this code shall be considered in the allocation of state or federal funds which now are or may hereafter become available for distribution" (65 O.S. 71, § 4-110).

Oklahoma Statutes Supplement 1976, Title 65, Chapter A, § 3 states:

That the Oklahoma Department of Libraries Board and the Oklahoma Department of Libraries be and hereby are urged to rescind immediately any policy having as its object or its effect discrimination against the patrons and supporters of Public libraries not affiliated with a library system; and that the Board and Department adhere to the language and spirit of Section 3-101 of the Oklahoma Library Code. . .

Two alternative methods of distributing grant-in-aid funds have been promoted by ODL. First, special purpose grants have been made available to all public libraries and are apportioned on an individual grant basis.

For FY 1977, ODL has made available through special purpose grants \$78,467 of LSCA funds. The Department has established grant applications and review procedures for all libraries to follow in applying for these funds. A survey questionnaire was distributed to all local libraries during the audit and responses to the questionnaires indicated that the Department has done a good job of circulating information as to special purpose grant funds available and application procedures. However, an analysis of FY 1977 grants indicates that of the \$78,467 made available, \$59,867 was awarded to public libraries in multi-county systems, and \$18,600 was awarded to nonsystem libraries. The Department needs to be aware that by setting grant standards and application procedures, it may be discriminating against the public libraries without adequate library personnel or resources to make a legitimate and acceptable application for funds. In addition, the \$78,467 represents only 8 percent of the LSCA funds available. By comparison the budget for development and expansion is \$581,586 or

more than seven times as large as expenditures for special purpose grants. Alternate procedures should be considered to extend library services to areas not presently served by any library.

Second, in the FY 1978 ODL Budget Request, funding was requested for distribution based on a state-aid formula. The formula distributed grant funds to counties based on population and property valuation. The ODL should consider expanding the procedure for selecting grantees to include the criteria outlined in 45 U.S.C. § 130.4 and use this expanded procedure to distribute state appropriated funds and a higher percentage of the LSCA funds.

Federal guidelines, in 45 U.S.C. § 130.4, states that "funds appropriated under the Library Services and Construction Act . . . shall . . . be used solely for paying the federal share of the cost of the following activities pursuant to the State Plan submitted under Subpart B of this part:

- (a) Planning for, and taking other steps leading to the development of, programs and projects described in paragraph (b) of this section:
- (b) Programs and projects designed to extend and improve library services, including:
  - (1) Establishing, expanding, and operating programs and projects to provide:
    - (i) Library services for the disadvantaged in urban and rural areas;
    - (ii) Library services to the physically handicapped (as defined in § 130.3);
    - (iii) State institutional library services (as defined in § 130.3); and
    - (iv) Library services to areas of high concentration of persons of limited English-speaking ability.
  - (2) Extending public library services to geographical areas and groups of persons without such services;
  - (3) Improving such services in such areas and for such groups as may have inadequate public library services; and
  - (4) Strengthening metropolitan public libraries which serve as national or regional resource centers.

## CONTRACT ADMINISTRATION

Federal Regulations governing the handling of LSCA funds as promulgated by the Office of Education require that the state agency establish contract and subgrant provisions and maintain financial and reporting systems on any projects utilizing federal funds. A system of written contractual agreements specifying grantee performance requirements and methods of reporting and evaluating projects was not fully operational.

Since September 1976 ODL has taken steps to establish a grant administration system to comply with federal regulations and provide a method of effectively administering project grants. A written contractual agreement has been developed that outlines requirements to be met by both the ODL and the grantee. In conversations held with the Director, the auditors expressed a concern that the types and extent of project reports made by the grantees should be more specific as to both form and content. The Director indicated that the contract would be redesigned to include reporting requirements. If provisions of the new contracts are met federal requirements will be satisfied. In addition, a method of collecting project information into a project administration system (centralized file) was to be implemented during the fiscal year.

## ACCOUNTING AND FISCAL REPORTING PROCEDURES

The Department of Libraries maintains an automated internal accounting system, with processing done through the Board of Affairs EDP Center. This system is required for the accumulation of expenditure information for cost control by area and activity. The submission of nonfunctional account groupings by ODL in their agency budget request prohibits utilizing the Budget Office expenditure reports for internal cost accumulation and control. There are three basic shortcomings of the present system. First, the agency has not maintained state budget information by branch and activity or entered this information into the internal accounting system although this provision is available. Second, the system is operated only sporadically without proper maintenance to assure accurate reports. Third, expenditures by project to meet federal reporting requirements are now being compiled manually. For example: ODL's FY 1977 Budget Work Program allocates \$396,416 or 22 percent of their total budget to "development and expansion of public library services." The 22 percent does not reflect the total expenditure for Library development and expansion because expenditures for personal services, travel and other overhead costs are included in other areas of the agency budget.

A review and analysis of actual expenditures from July 1, 1976 to February 28, 1977 was made to determine total expenditures incurred for library development.

The analysis allocated a portion of general administration, data processing, technical services, and library services administration costs to library development and expansion and audio-visual activities. A review of the travel claims showed that approximately 30 percent of the towns visited by library services consultants during the first eight months of FY 1977 were nonsystem towns. Therefore, a 70 percent allocation of library development and expansion and audio-visual activity costs was made to "development and expansion of public library services." Actual expenditures for library development and expansion approximate 32 percent of the total departmental budget rather than 22 percent as reported in the Budget Work Program.

These shortcomings were discussed with the Agency Director during the audit and the following two alternatives to the present procedures were discussed:

Alternative one involves:

- A. Continue to prepare budgets based on current account classifications of personnel, general operations, library development, books and audio-visual materials, and data processing. Concurrently develop state budget information for internal cost control based on area and activity similar to the ODL organizational structure and internal accounting system. Continue to recode claims for internal accounting and processing through the Board of Affairs to accumulate the information by area and activity.
- B. In addition to present coding by area and activity, arrange with the Board of Affairs to devise a method of coding expenditures by project to accumulate project data.
- C. The agency should also request that the internal accounting system be updated by the Board of Affairs through programming changes to enable the input of budget information by area, activity, and project to produce budget variance and control reports.

The second alternative involves:

- A. Prepare the FY 1979 Agency Budget Request based on the area and activity currently used in the internal accounting system which parallels the present organizational structure. Work within the appropriations process to pass an appropriations bill in the format of the budgeted accounts. Work with the Budget Office to assign account codes which consistently leave one digit available for internal coding for "activity." Utilize the first digit of the four digit object of expenditure code to designate the project.
- B. ODL's Business Office would code claims by area, activity, and project when preparing the claims for Budget Office processing.

The Budget Office would process claim information and return the information by area, activity, and project.

- C. Object of expenditure data maintained by the Budget Office may be utilized by the Board of Affairs to make comparisons with budget inputs if desired by the agency, otherwise manual budget comparisons would be made.

Alternative one allows ODL to retain its budget flexibility with regard to personnel and operating expenditures. The cost of this flexibility is measured by the expense of maintaining a separate budget and expenditure control system to accumulate expenditures by area and activity. Alternative one would require the least change from the present system and may be the more desirable method to achieve an adequate budget and accounting system.

Alternative two would require a commitment to work with the Budget Office and Board of Affairs in revising the agency's present budget and accounting system. The benefits would be realized in the elimination of the recoding and processing of information by the Board of Affairs and the dual system of accumulating budget information. Shortcomings of alternative two include loss of some budget flexibility, and the commitment to interagency cooperation. The earliest date this alternative could be fully implemented is FY 1979. Both alternative one and alternative two require the expense of installing a method of accumulating costs by projects; a necessity for meeting federal contract administration guidelines.

#### INVENTORY AND CONTROL OF PHYSICAL ASSETS

The agency uses the State Board of Public Affairs EDP inventory control program. The last inventory update run which was done in July 1976 was both incomplete and inaccurate. There were no procedures to account for equipment transferred to public libraries. Physical control over assets was inadequate; obsolete and surplus equipment was on hand. As a result, the agency could not account for all its equipment.

Department personnel indicated that inventory control had been a low priority item. During the audit they initiated a property receipt system for equipment transferred to libraries. The agency also recognized the need for a complete physical inventory and indicated plans are being developed for its accomplishment.

A limited physical inventory was conducted by the auditors to evaluate the inventory system and control of equipment. The inventory listing includes 54 typewriters, but only 42 of the listed typewriters could be located initially. Subsequently, one typewriter was returned from the home of an employee, one was found in a storeroom under a pile of empty cardboard boxes, three had been disposed of as surplus,

one had been written off in prior years as stolen, and three had been sent to multi-county library systems. The remaining three typewriters or records of their disposition could not be located.

In the physical inventory, 28 typewriters were located that were not included on the inventory listing. Twenty four of these were on hand prior to the inventory listing date and many had been identified with an ODL identification number. Calculators and adding machines, dictating equipment, and selected items of audio-visual equipment were also physically inventoried by the auditors. Similar problems were found in these inventories.

Not all items of furniture and equipment were properly marked or tagged as required by 74 O.S. 71 § 110.1. Some items had never been marked and some items had been marked but the marking tape was gone. The agency had purchased an engraver for marking equipment but it had not been used.

The agency did not maintain proper or adequate control of its equipment. Unusable and obsolete equipment was stored in unlikely places and often not declared surplus. For example: two electric typewriters, one apparently unserviceable, were declared surplus and placed in a basement storeroom; one electric typewriter was found in a storeroom under empty cardboard boxes; two manual typewriters and one unserviceable electric typewriter not on the inventory list were stored in the Archives and Records Management annex building (metal building). Other apparently excess equipment was noted on file cabinets, shelves, etc.

In addition to the equipment the agency purchased for its own use, they also purchased material and equipment for new multi-county library systems. This included books and related materials, book-mobles, shelving and audio-visual equipment. This equipment was purchased with federal Library Services and Construction Act (LSCA) funds. The auditors were unable to determine the total expenditures for equipment for the library systems or how much equipment had been transferred to the various systems. For example: the agency purchased ten 16 mm projectors at a cost of \$495 each. The auditors were able to locate seven of these projectors during the physical inventory. The remaining three had been taken to the Northwest Milti-County System. When the projectors were delivered a receipt was not obtained and the serial numbers were not recorded. The serial numbers were also omitted from the invoice, therefore there was no means to prove that the libraries did receive the projectors or if projectors in the libraries were those supplied by ODL.

Federal LSCA provisions require that adequate records be maintained of all equipment purchased with federal funds, including description, serial number, acquisition date, cost, source of funds, location, use, condition, and ultimate disposition. (Federal Register, Vol. 38, Number 213, Part III. November 6, 1973, § 1006.215.). Non compliance with federal requirements could result in a recoupment effort by the federal government.

The State Board of Public Affairs inventory program is flexible and provides an excellent means of controlling property if the listing is kept current and the data supplied is accurate. To fully utilize the inventory program, the agency should:

1. Make an individual responsible for the inventory with the authority to require that the necessary data be furnished,
2. Develop an accurate inventory listing by conducting a physical inventory both at ODL and the libraries that have been given equipment and furniture,
3. Mark all equipment and furniture, and
4. Establish procedures to properly control and record equipment disposed or transferred.

#### PROCUREMENT POLICY

Supervision and review of asset acquisition has been minimal. Quantities on hand and specific needs have not been adequately reviewed prior to purchase authorization. The Director has recognized the need for elimination of excess purchases as shown by the adoption of procedures to review quantities on hand and to justify the need for additional purchases.

Six typewriters purchased from period June 30, 1976, to January 11, 1977, were higher cost models. Inasmuch as equivalent models were on-hand, it appears that \$450 to \$500 could have been saved by purchasing standard models. As evidenced in the physical inventory of agency typewriters (see Inventory Finding), excess quantities of equipment have been inadequately monitored. Although two of the typewriters were identified as surplus and another is presently unserviceable, 68 serviceable typewriters were located including some that were old and not in use. A reliable inventory listing, with the available listing by equipment class, and specific written policy and procedure directives will assist in limiting excess purchases.

Related minor finding: While reviewing invoices, the auditors noted that one of the assigned state cars had been repaired by a local dealer at a cost of under \$25. State Motor Pool personnel indicated they could have accomplished this repair (remove and replace a gas gauge unit).

## COMPENSATORY TIME POLICY

The compensatory time policy of the ODL was excessively liberal and several cases were found in which the policy was abused. Each branch approves and keeps records of compensatory time for its employees. There is no standard policy or records for all branches.

Examples that were found in which compensatory time policy was abused include: recording compensatory time in intervals as short as five minutes, taking a short lunch and recording 30 to 45 minutes compensatory time each day; and recording two hours compensatory time for not going to vote.

Until December 1976 employees who were away from home in travel status for more than one day earned five hours compensatory time for each night away from home plus the compensatory time earned for work done or meetings attended after 5:00 p.m. In December 1976 ODL changed its policy so that a maximum of 80 hours could be accrued and two hours compensatory time earned for each night away from home. During the first six months of FY 1977 one consultant accrued 289 hours (36 1/8 days) of compensatory time and on December 31, 1976 had a balance of 915 1/2 hours (114 1/2 days or 22.9 weeks) of compensatory time. This was reduced to 80 hours under the new policy.

The purpose of compensatory time is to compensate employees who must work longer than the eight hour day to complete the agency's work. In the ODL most compensatory time is accrued by branch heads, supervisors and professional employees. There are two sections of ODL in which there are considerable backlogs of work. In one of these sections there has been no compensatory time earned and in the other section the two clerical employees earned approximately 20 hours compensatory time each for the first quarter of calendar year 1977.

The ODL should review its policy and establish standard guidelines for approving and recording compensatory time.

## ACTIVITY REPORTS

In September 1976, the Director initiated a policy that branch activity reports be submitted monthly. These reports were not presented in a consistent format and basically showed only statistics (i.e. requests filled, books processed, etc.) by some branches. To maintain adequate administrative control, to measure the effectiveness of the consultant activities, and to develop a cost-benefit measurement of the programs funded, activity should be reported periodically in a consistent format, and should be reviewed and evaluated by administration.

As an example, the monthly activity reports of the six library consultants, in most cases, did not show enough detail to be useful, and were not submitted in a consistent format. Some reports did not show dates; places served; whether services entailed a telephone conversation, personal contact with an individual at ODL, or travel to the town served; the amount of time involved in the consulting activity; or the outcome or results derived from the activity. Because these reports could not be utilized in measuring the consultants workload or effectiveness of their activities, travel claims, and agency vehicle logs were also reviewed.

A review of the travel claims filed by the consultants during the first eight months of FY 1977 showed that six consultants spent a total of 151 full or partial days in consulting activities in 47 towns. Only 14 of these towns are not in a multi-county system now in existence or in the development stage. One consultant accounted for 87 days, 58 percent of the total days traveled by all consultants and visited 14 towns, all of which are located in an existing multi-county system or a system under development. The remaining five consultants averaged 19 days travel each for consulting activities.

Another discrepancy noted was that consultant services reported on travel claims sometimes were not reported on the activity reports, nor was all the travel reported on travel claims. Generally, no travel claim was filed unless they were out twelve hours or more, turnpike fees were incurred, or their privately owned vehicles were used. However, because the activity reports did not show enough detail, the additional consulting services rendered and the towns visited could not be determined. Travel log forms kept in the state vehicles were also reviewed, but these were not always filled out completely.

RECORDS MANAGEMENT, ESSENTIAL RECORDS PRESERVATION,  
AND ARCHIVES

Compliance by state agencies to specific statutes concerning Records Management, Essential Records Preservation, and Archives has been inadequate. Less than a third of the state agencies are submitting material under the provisions of the Records Management Act (67 O.S. 1971, § 201 et seq) and the Act pertaining to Archives (basically 74 O.S. 1971, § 564 et seq, commission composition was changed by laws of 1975, Chapter 230, § 8). The preservation of Essential Records Act (67 O.S. 1971, § 151 et seq) has remained dormant since its effective date of January 2, 1962.

The three primary Acts governing Archives, Records Management and Preservation of Essential Records do not consistently assign responsibilities or define actions in the same manner. As examples: The Archives and Records Commission is the governing agency for disposition of all (except as exempted in specific legislation) state records. The Commission members are in an advisory capacity only for essential records preservation. The State Librarian is, as the

State Archivist, Vice Chairman and Secretary of the Commission. As the State Records Administrator he is responsible for management of all state records including scheduling their disposition, but disposition is a Commission function. As the Records Preservation Officer, he becomes Chairman of the Commission members who serve as an advisory committee only.

The auditors recognize a need for a better definition and separation of responsibilities, and an elimination of the present inadequacies. This could be accomplished by consolidating the pertinent parts of the present acts. The auditors also recognize that the Archives and Records Division is not, and could not, comply fully with their statutory responsibilities. Future funding levels should be a consideration in any proposal modifying present acts.

#### Archives and Records Management.

Until 1968, the Archives Act and the Records Management Act were essentially dormant. The present Archives Act, enacted in 1947, created the Archives and Records Commission. It replaced the 1939 Records Commission. In 1953, HJR 512 directed the Commission Secretary (State Librarian and State Archivist) to examine and list the records of all agencies to determine what records should be retained, destroyed, or microfilmed. The Records Management Act became effective in 1962. The State Librarian was given the additional title of State Records Administrator, and was instructed to establish standards for effective management, to begin continuing surveys of paper work operations, to establish standards for preparation of schedules for transfer and/or disposition of records, to issue rules and regulations, and to obtain reports from agencies. The Act was cumulative to the Archives Act. Compliance was voluntary until 1968 when the Act was amended. The Archives and Records Commission retains the authority to authorize disposition of records per Title 74, Section 564, which reads in part: "The Commission shall have sole, entire and exclusive authority of the disposition for all public records and archives of . . . (all state agencies)." The Records Management Act requires agency heads, excepting the Department of Public Welfare, to comply with the Act and the Administrator's rules and to submit required reports. A 1972 Act (67 O.S. Supp. 1976, § 301) established microfilm standards and further provided for preservation of microfilm original negatives.

The Records Management Act opens with the declaration: ". . . programs for the efficient and economical management of State and local records will promote economy and efficiency in the day-to-day record-keeping activities of State and local governments and will facilitate and expedite government operations." (67 O.S. 1971, § 202). Records permanently retained for the archives are, or should be, of significant historical value, or are vital because of their administrative or legal value.

Although significant gains have been made in the acquisition

of materials for archives and agency participation under the Records Management Act, the Department had not pursued these programs aggressively in recent years. Until March 1977, most agencies began their participation in records management, only when faced with an impending move or when they had outgrown their available space and needed immediate relief. The lack of an aggressive approach has been in part caused by a belief that the Department lacked the personnel and physical resources to provide satisfactory service to all agencies. The Department Budget Request included about \$134,000 for new services involving three special archival projects in FY 1975. Additional clerical help was requested for FY 1976. Major increases in personnel and equipment for additional services were included in the Budget Requests for FY 1977 and FY 1978. These requests were for 19 employees and \$222,305 and 10 employees and \$173,307 respectively. Justification was based principally upon increased legislative interest in records management and records retention. There was no reference to the inability to accomplish current statutory responsibilities. The FY 1977 project request was assigned priority four of ten projects, and the FY 1978 request was priority five of five.

The auditors concur that the present staff is inadequate to properly service all state agencies. They also concur that space for permanent retention is inadequate for all agencies under present acquisition policies and at the current acquisition rates of presently participating agencies.

The number of additional personnel required was not determined and is dependent upon both internal and external factors. Internal factors include the approach used towards obtaining agency compliance. A "crash" program based upon an Executive Order and/or Legislative emphasis, particularly if it included sanctions in the form of space and personnel limitations, would demand a very large work force. (Canada, reportedly, does consider compliance with their records management program one of the determining factors in authorizing increased personnel and space allocations.) The program adopted by the new division head is essentially a program of voluntary compliance after individual contact to offer assistance. Since February nine agencies, or major divisions of agencies, have been contacted and the services available have been explained. Although not all contacts are expected to lead to increased compliance, the Division head indicated that only one agency director had rejected the concept of scheduling records disposition. External factors affecting personnel needs include the degree of agency cooperation in properly identifying records for storage, destruction, or permanent retention; arranging storage records so that they can be accessed upon request; and developing schedules of disposition by class of record. Acceptance of schedules for destruction by the Archives and Records Commission is also a factor outside the control of the Department. The Commission has apparently been reluctant to accept schedules of records for destruction by class. They generally handle disposition resulting in destruction on an individual "batch" basis. Scheduling reduces both the handling and the review time.

Scheduling also reduces space requirement. The metal building is used for temporary storage and at the present time no significant deficiencies are anticipated. However, acceptance of a large quantity of temporary records would create a problem if their destruction was delayed indefinitely by the Commission. Policies concerning the recommendation of permanent or extended periods of retention significantly impact future space needs. During the growth period (1968-1976) of Archives it appears that stringent limitations were not applied in the determination of permanent retention value. Additionally, the Commission has apparently recommended retention of material that is not considered of permanent archival value by either the Archives Division or the submitting agency. For example: The Board of Affairs Central Purchasing requested disposition on several hundred cubic feet of obsolete purchase orders and bid document files stored in an old vault in the Capitol basement. A permanent ledger of successful bidders is retained and the Department and Central Purchasing believe the statutory minimum of five years retention is adequate. About 70 percent of the files are over five years old. The Commission has required retention of the files, apparently on the basis of possible future legal need.

At the present accession rate, the permanent retention area on the third floor of the library building will be full in approximately ten years. The rate is approaching 900 cubic feet a year with less than 9,000 cubic feet of storage space still available. The rate does not consider 4,600 cubic feet of a one-time acquisition of Supreme Court records.

Records are received for Archives and Records Management from 68 agencies, but in most instances it is only a part of the vital records that they generate. Only 15 agencies use disposition schedules, and only two agencies dispose of the bulk of their records through the Records Management function. In cooperation with the audit team, archives personnel developed a tentative formula to estimate future permanent retention space needs. It appears that agencies with less than 100 F.T.E. employees generate about one cubic foot of permanent records per F.T.E./year. Agencies with over 100 F.T.E. generate one cubic foot per four F.T.E./years. The formula remains to be proved and will probably require modification, but applied to just 41 additional agencies the accession rate could rise to over 2,200 cubic feet a year if the present agencies do not increase their degree of compliance. Full compliance by all agencies could consist of over 5,000 cubic feet annually. This does not consider the initial transfer of permanent retention records expected when an agency first begins to participate in the Records Management program. It is anticipated that the initial transfer would range from very little up to several hundred cubic feet per agency. Thus, immediate, total compliance by all agencies would overflow the present facilities for permanent retention within a year.

Space limitations also exist in the microfilm preservation vault. It is expected to be full in about three years. The vault is located in the metal building used for temporary storage. Two of the means for increasing the vault capacity are: One, simply enlarging

the vault. Two, purchasing compact shelving that increases storage density. Archives personnel had obtained cost data for each alternative and were reviewing the data at the time of the audit. Redefining storage requirements and disposing of nonarchival material (with Commission authorization) is also being studied.

Although full compliance will ultimately result in the need for additional facilities and personnel, the Department should continue the aggressive solicitation effort begun this year. It has been the intent of the Legislature, as expressed in statutes previously referenced, that the state implement a plan of efficient, economical records management. In addition to being statutorily required, an October 1976 study by the National Archives and Records Service (a federal entity) shows that the average cost of records maintenance in an office environment was \$6.79 a cubic foot while the cost for records storage in a records center was only \$.54 per cubic foot. These costs are not directly applicable to Oklahoma State records, but the 12 to 1 ratio appears reasonable.

It is apparent that the Department will be required to initiate some action regarding the Archives and Records Section, and that the action to bring the Department into compliance with the law will most probably require Legislative action in the form of future increased appropriations, or changes in the requirements of the Archives and/or Records Management Acts. Such an initiative plan by the Department should be based upon the most reliable information available and should provide detailed alternatives and their consequences, for consideration. In formulating the plan, the following possible courses of action might be considered.

1. The Archives and/or Records Management activities could be terminated. Since the records accessioned include material from discontinued agencies, and from agencies without adequate storage space, it would not be feasible to return all of the material on-hand to its source but further acquisitions could be stopped. Such a change would require legislation and appears to be undesirable. The benefits now accruing to participating agencies in records management efficiency and economy would cease. Research of historical, and necessary administrative and legal documents would become increasingly difficult. It would probably be impossible to "catch-up" to even the current level of attainment if the material on hand is dispersed and then the archives later reestablished.
2. Regress to providing minimum service. This will extend the period of time that the present facilities will suffice. The cost will be in records management efficiency and economy, a weakened archives research program, and noncompliance with the law of the state.
3. Continue the present education and voluntary compliance program. This will best match acquisition and Division capabilities until such time as either Department capacity is exceeded or willing

agencies cannot be found. By that time the Department should be in a position of:

- A. Expanding facilities and/or personnel based upon increased appropriations or a reduction of other requirements, as determined by the appropriate authorities and/or
- B. Requiring mandatory compliance with the approval and assistance of the Executive and Legislative Branches, or
- C. Reduced requirements through amendment of applicable statutes, again as determined by the appropriate authorities.

#### Preservation of Essential Records Act.

No action has been initiated under this 1961 act. This lack of actions includes the failure to submit biennial reports by the Records Preservation Officer (State Records Administrator, State Librarian, etc.). The intent was to identify and provide protection for those records essential to the operation of, or reestablish the function of, the state after a disaster. The primary concern appears to have been a disaster caused by enemy action. Inasmuch as many of the essential records are day-to-day operating records, now often on magnetic tape storage, and "safe" storage, in such a disaster, if possible, would be prohibitive in cost; the value of the statute is questionable. However, certain features of the act, such as identifying essential records, and providing adequate protection from natural disasters appear to be applicable and beneficial. These features could be included in a revised Records Management Act.

At the request of the auditors, the Archives and Records Division prepared brief comments of concerning areas of consideration for suggested changes in legislation. These comments are included in this report on the following pages.

SUBMITTED BY ODL:

This report is submitted in accordance with your request for comments. The various legislative measures dealing with state records show legislative concern and awareness of the importance of regulated records flow and permanent retention of archives. The result, however, has been a piecemeal approach in need of consolidation, restructuring and clarification.

1. Archives and Records. It would be clearer if the law addressed itself to Public records, rather than archives and records. Archives are records which are considered permanent because of their legal administrative and historical value beyond the day to day use.
2. Archives and Records Commission. The present law gives the Commission the sole authority over records disposition. Important though this is, it means that the Commission can only deal with requests submitted to it and with the adoption of microfilming prices. Given the status of commission members, broader rule and regulation making powers by them would enhance records program effectiveness. In addition it might be helpful to permit the use of designees at meetings when necessary.
3. Definitions. The language in the definition of "record" appears to be standard for most states whose laws were examined and may in its broadness reflect efforts to provide for existing as well as future, yet unforeseen types of records. The state of Washington does make a distinction between official public records and office files but treats them alike in the disposition process. Unlike Oklahoma, Arkansas spells out specific records covered by the law, and includes those generated by and for data processing. Arkansas also defines archives. The definition of "dead storage files" in section 576(3) in the Oklahoma law 74 OS 1971 is not very helpful. New Mexico uses the standard description but adds that "library and museum material. . ." are non-records. Such an explanation was left out of the Oklahoma law which speaks of non-record materials in 67 OS 1971 §211 but fails to define them.

The definition of an agency appears clear but clarification is needed for the status of the various Authorities, the Oklahoma Historical Society, colleges and universities etc. In addition, clarification is needed for agencies with specific records requirements in their own laws, often dating back to the time when state government was small and records were few.

4. Record Scheduling. While existing archives and records management legislation acknowledges the needs for such programs, it lacks support for a central administration of records coordinating all aspects from records creation to maintenance (including microfilming if necessary) retrieval and disposition. 74 OS 1971 §566 and 67 OS 1971 §214 make the program dependent on the requesting agency's personnel for tasks leading up to the transfer of records. No provision is made for the organization and retrieval of transferred files.

Moreover there appears to be some contradiction between 74 OS 1971 §§572 and 573, and 67 OS 1971 §§205 and 206. The first requires survey of agency records to be conducted by the archivist and for disposition of such records to be directed by him. The second, while requiring continued monitoring of records programs, requires agency heads to submit schedules of records accumulated, together with retention requirements.

The effectiveness of the program would be greatly enhanced by requiring each state agency to submit a list or schedule of its records, followed by annual reviews. Such provision might be linked to a requirement showing compliance when requesting additional space and equipment.

5. Essential Records Act. This law might be repealed as a separate statute with some of the provisions incorporated in a consolidated public records law. The aim would be to provide, within the general framework, for the selection and preservation of those records essential for the continuity of government, and the protection of individuals. This would be accomplished by the creation of preservation duplicates stored in designated places of safety.
6. Security. Recent nationwide professional concern for the security of library and archival holdings has led to the development of a model law (copy enclosed). Among its features is a provision exempting librarians and archivists from civil or criminal liability in the apprehension of a suspect. It may be that a records law should include measures to insure the security of the records.

The need for the revision and consolidation of the Oklahoma records laws was recognized in the Legislative Council proposal #93 in the 1974 interim which resulted in HB 1014 introduced by Rep. Ferrell in 1975 (copy enclosed). This bill passed in both houses but did not receive funding. With the exception of Section 7A, it closely reflects many of the needs outlined above, as well as others not discussed here.

7. Micro Film Standards. 67 OSS 76 - § 301 provides that micro film images of records have to meet minimum standards of quality set by the National Bureau of Standards but does not assign responsibility for the enforcement of the standards. In view of the proliferation of micro film programs, the responsibility should be clearly assigned to the agency who created the records.

Section 7A would alter the statutory designation of the State Archivist. Since the records program is placed within the Department of Libraries, the State Librarian should logically also be the State Archivist.

## OKLAHOMA DOCUMENTS

The need for a collection of state documents is supported by the American Association of State Libraries in their 1963 report of the "Standards for Library Functions at the State Level." This report reads:

Each state should maintain a complete collection of the documents of its own government and of current documents of comparable states, plus a strong central collection of both local and federal documents. Collections of government documents are of prime importance for historical research, public affairs, and to meet particular informational needs. The full collection for each state would normally be maintained by the state library agency, and a checklist of state documents should be published periodically by the state.

ODL did not have an Oklahoma Documents Section from 1954 until June 1976 when a Librarian IV was assigned to the Section, in February 1977 a typist clerk was added. Oklahoma Statutes require agencies to deposit publications with ODL:

Every agency, authority, department, commission, board, institution, office or officer of the state, except institutions of higher education, who issue or publish, at state expense, regardless of form, any book, chart, document, facsimile, map, paper periodical, report, serial, survey or any other type of publication, including statutes, statute supplements and session laws, shall immediately deposit a minimum of one hundred copies with the Department, unless otherwise provided by the Director. (65 O.S. 71, § 3-114)

Every agency, board, department, commission or institution of the State of Oklahoma shall file five copies of their annual or semiannual reports with the Legislative Council and the State Library . . .  
(74 O.S.S. 76, § 3104)

There is a conflict between these laws, one requires the deposit of 100 copies, and the other 5 copies with ODL. Library personnel indicated that 20 to 25 copies are actually needed for exchange agreements, etc.--100 copies are too many to handle and five copies are insufficient. Generally Oklahoma Documents distributes one copy to Archives, one to the Library of Congress, and one to the Center for Research in Chicago. One copy of annual reports is also distributed to ODL's Legislative Reference Section. The remaining copies of publications are maintained by the Oklahoma Documents Section for reference, circulation, and exchange with other states.

Library personnel stated that approximately 60 agencies send publications on a regular basis, and that about one-third of these agencies send one to five copies. The remaining agencies usually send 50 copies. Therefore, only about 40 of the state agencies supply Oklahoma Documents with sufficient copies to send to the Library of Congress and others with whom they have exchange agreements as outlined in 65 O.S. 1971, § 3-115.

According to the librarian in this section, state agency non-compliance with the statutory requirement to deposit publications with ODL may be attributed somewhat to agencies not being aware of the requirement since it is listed in the statutes dealing only with the Oklahoma Department of Libraries. Suggestions to improve agency compliance in submitting publications and to allow the library sufficient copies to fulfill their exchange agreements include:

- 1) amend present legislation (65 O.S. 1971, § 3-114 and 74 O.S.S. 1974, § 3104) to require agencies to submit to ODL 20 to 25 copies of agency publications;
- 2) include the law in a portion of the statutes (i.e. State Government) other than Oklahoma Department of Libraries so agencies will be more aware of this requirement;
- 3) contact all agencies in writing regarding their statutory responsibility to deposit publications with ODL. Ask for a list of the agencies' periodic publications and ask that the agency name a liason person with whom Oklahoma Documents can work; and
- 4) impress upon the agencies the need for and importance of having a collection of Oklahoma publications for reference, circulation, and exchange purposes.

A receipt system, whereby agencies submitting publications are mailed a hand-written receipt to avoid confusion of what has or has not been sent the library, was initiated March 1, 1977. This procedure is time consuming; the Typist Clerk estimated that she spends approximately two hours a day doing this. A few of the agencies have notified ODL that they do not want a receipt.

The confusion over what agencies have or have not sent ODL arises because ODL has not had an Oklahoma Documents Section since 1954, and publications previous to January 1977 are generally not accessible or retrievable at this time. This Section has not had sufficient space or shelving to shelve the publications for retrieval. However, in March 1977, three sections of shelving were obtained from U.S. Documents. These will be ready for use as soon as present materials are removed. Most of the publications received subsequent to January 1977 have been shelved. Materials dating prior to this time are stacked in boxes located in ODL's metal building, on the sixth floor of the Capitol, and the second floor of the new building.

Another problem of the section is understaffing. The Librarian and Typist Clerk are now responsible for all the library functions associated with documents (i.e. cataloging, organizing, distributing, shelving, etc.) plus the Oklahoma Collection, which is located on the first floor of ODL. Oklahoma Collection duties entail selection of books, cataloging, writing bibliographic descriptions, maintaining the clipping files, etc. The Librarian also works in various other areas of the library. Also, the Typist Clerk is required to answer ODL's switchboard 30 minutes each morning and afternoon.

Publications would be accessible and the receipt system could be discontinued if the Oklahoma Documents Section would do the following as publications are received:

- 1) catalog them,
- 2) develop the bibliographic information needed,
- 3) compile and update a checklist of publications, and
- 4) organize copies of publications for shelving and distribution.

Also, the section could publish the checklist periodically so other libraries, states, and the public would be aware of available agency publications.

To accomplish these tasks adequate space and shelving for the publications are needed. Additional personnel may be needed at least temporarily until the section can get organized and operating. Another alternative suggestion includes allocating duties related to the Oklahoma Collection to another section or other personnel. As it presently stands, the Librarian IV and the Typist Clerk cannot adequately run both sections, and Oklahoma Documents should probably be given priority at this time. A further suggestion by the auditors is that the Oklahoma Documents Section organize current publications only, to start with 1954 and work forward would be too great a task.

#### U. S. DOCUMENTS SECTION

ODL is a Regional Depository for U.S. Documents for the State of Oklahoma. The section is responsible for receiving, cataloging and shelving documents received from the Government Printing Office. The responsible librarian estimated that they were three years behind in shelving.

The librarian indicated that insufficient personnel were assigned to the section. However, an independent report by a document specialist indicated that the cause for the backlog could be attributed to the use of an involved classification and cataloging system.

Because of the difficulty in access to the boxed documents, ODL should resolve the difficulty by:

1. Assigning sufficient personnel to the section to shelve and maintain the section's documents on a current basis, or
2. Simplifying the classification and cataloging procedures through use of available commercial subject indexes so that the presently assigned personnel can maintain the documents.

### CATALOGING SECTION

This section catalogs and processes most books received by the agency, including books sent to the juvenile evaluation collection, books purchased for the main and law collections, and books purchased for the Library Development Collection (LDC). The LDC books are purchased, cataloged, and processed for new multi-county library systems.

In December 1976, ODL contracted Kenneth J. Bierman, a library automation consultant, to make a study of the cataloging section. He found that ODL had approximately 17,800 uncataloged/unprocessed books on hand. At the end of April 1977 the auditors found that there were approximately 17,000 uncataloged/unprocessed books on hand. Although ODL was keeping statistics that clearly indicated a problem no action was taken by management for approximately 18 months, until December 1976.

As a result there is a large quantity of books on hand that cannot be distributed or used because they are uncataloged and unprocessed.

Bierman estimated that the cost to ODL to process and catalog a book approximates \$4.20. Preprocessed books can be purchased at a cost of \$1.00 each for processing. ODL started buying preprocessed books in April 1977, and has decreased the quantity of books purchased. Processing packets were ordered for those books onhand for which the packets are available. The packets began arriving in April.

In addition to buying preprocessed books, ODL might consider: purchasing only essential books until the backlog has been eliminated; processing the main collection and the law collection before processing LDC books; or eliminate the processing of LDC books purchased for multi-county systems.

## POLICY AND PROCEDURES MANUAL

Findings of the auditors were that many employees indicated they did not have access to the Agency's Policy and Procedures Manual. Also, the library branches were allowed liberal interpretations of the policies, which resulted in inconsistent policies (ie. compensatory time, employee leave, etc.) among the branches.

ODL is updating and extending its Policy and Procedures Manual. The revised manual should be helpful in obtaining consistency in procedures among the various branches. The manual should be made available to all employees.

### LEAVE RECORDS

The leave records for the period of July 1, 1976 to March 31, 1977 were reviewed and were generally in good order, except as they pertained to leave without pay.

Requests for leave and leave without pay were submitted through the employee's supervisor to the Director's secretary who keeps the leave records. The approved requests were sent to the payroll clerk after being recorded by the secretary. Discrepancies and errors arose because supervisors did not always submit changes to the secretary when the actual leave taken varied from that requested. In one case the payroll clerk deducted pay from an individual for 16 hours leave without pay based upon a supervisor's note added to an approved request form. This information was not sent through the secretary and was not recorded on the leave records.

Eleven employees took a total of 440 hours leave without pay during the first nine months of FY 77. This includes two employees who each took approximately 100 hours leave without pay (12 1/2 days).

One employee should be responsible to see that leave records and payroll records agree and that all leave is supported by a properly approved request. Payroll clerks should make payroll adjustments only upon receipt of a signed and approved request form that has been properly processed. Procedures for granting leave without pay should be reviewed by the Director.

### ABSENTEEISM

The absenteeism rate for ODL for the first nine months of FY 1977 was 5.1 percent. This computation is based on sick leave,

enforced leave and leave without pay. An absenteeism rate of 2.7 percent has been established as the expected rate and other agencies audited ranged from 1.7 percent to 5.3 percent.

#### EMPLOYEE TURNOVER RATE

The turnover rate for the ODL for the 14 month period from January 1, 1976 to February 28, 1977 was 17 percent. The computation was based on an average F.T.E. of 58.5 employees and included nine new and ten departing employees. Turnover rates for other agencies audited ranged from 13 percent to 43.8 percent.

#### CLASSIFICATION OF PERSONNEL

Four employees of the Archives and Records Management Section were improperly classified. Qualified replacements for these employees would probably not be found on Merit System Personnel register.

Two of the employees are classified as Librarian I's, but are working as Archivists. The grades are comparable but until recently, there was no progression in the Archivist ladder. This has been changed and the Librarians should be reclassified as Archivists.

In one instance a Library Technician has microfilm operator duties and is generally responsible for monitoring the Records Management files. The Division head has initiated an internal study of this position.

The fourth employee, a Records Preservation Technician, operates microfilm cameras, duplicating equipment, and developing equipment as well as billing "customers" for service and maintaining the microfilm vault. Some of the equipment has been adopted since the original job description was developed. At the request of the Department, Merit System personnel performed a job audit of this position and reclassification of the job is anticipated.

## LIBRARY QUESTIONNAIRES

A survey questionnaire was sent to all public libraries in the state. Of the 195 questionnaires sent, 90 were completed and returned, many included comments. A sample of the questionnaire is included in the following pages. See Appendix.

The survey questionnaire was distributed to obtain feedback from public libraries concerning services being offered by ODL. The questionnaire was designed to measure the possible correlation of the receipt of ODL services between multi-county system libraries and non-system libraries.

Six questions asked if ODL kept them informed of the services available. Both system and nonsystem responded very favorably to these questions. Ninety percent said they were kept informed.

The greatest correlation between system and nonsystem was found in question three concerning L.S.C.A. funds. Sixty-seven percent of system (including branches) indicated they received L.S.C.A. funds. Thirteen percent of the nonsystem libraries said they were receiving L.S.C.A. funds.

Seven questions asked about ODL services utilized. Fifty-six percent of systems and 32 percent of nonsystem libraries indicated they utilized the services. The individual services used by both system and nonsystem are: Children's Consultant 61 percent; Audiovisual Services 39 percent; Outreach 33 percent; Construction Consultant 32 percent; Library Development 27 percent.

The comments were generally of a positive nature. The most frequent comments were: ODL's services were good to excellent; Consultants were helpful and efficient; OTIS was necessary. Comments suggesting improvements included: Need to be more informed; film and A-V equipment policy is unfair; services should be expanded to all libraries in Oklahoma.

OKLAHOMA DEPARTMENT OF LIBRARIES' RESPONSE  
TO AUDIT FINDINGS



## OKLAHOMA DEPARTMENT OF LIBRARIES RESPONSE

The Oklahoma Department of Libraries has analyzed the Performance Post Audit Report and wishes to thank the audit team for its services. This report will be helpful to the Board and the Director in the administration of the Oklahoma Department of Libraries and will be a useful tool in the planning process.

### FINANCIAL SUPPORT OF PUBLIC LIBRARIES

The findings indicate a high percentage of federal and state funds were granted to system libraries between July 1, 1972 and March 31, 1977. Only 28 per cent of these funds were state appropriated. The Oklahoma Department of Libraries adopted on December 2, 1976 standards and formulas for distribution of state appropriated funds to all libraries in Oklahoma. The FY 78 budget requested an increase of \$474,000 to implement this expanded aid to all public libraries. The House of Representatives included these funds but later rescinded its amendments in the General Conference Committee of the First Session of the 36th Legislature. The Oklahoma Department of Libraries will consider distributing state aid to all public libraries although the present level of \$125,000 will only offer token assistance by the State to these educational institutions. The present level of state aid appropriated for library development provides Oklahoma libraries with 10% of the national average of state appropriated funds for public libraries. This is 4.8¢ per capita or .00017 of the total state budget for FY 78.

The Oklahoma Department of Libraries initiated new management criteria and procedures for granting federal funds in January of 1977. The attached letter from Mr. Denny Stephens, Regional Program Officer, Office of Education, explains these criteria in part. Every legally established library in Oklahoma is eligible to apply for federal funds under 45 U. S. Code Annotated 130.4 (a) (b). Any expenditure of federal funds must be according to the state-federal agreement and Oklahoma's Long Range Plan as submitted to the Office of Education. The State must "maintain effort" in order to qualify for the federal funds. The Oklahoma Department of Libraries uses the tax levies for libraries in counties which have voted a special library tax to meet this requirement.

The new grant criteria are not discriminatory. In FY 77 only 22 applications for funds were received from the 110 non-system libraries although all received notice of the grant cycles. Sixty-three applications were received from six of the nine system libraries. The Oklahoma Department of Libraries will allocate consultant help when requested to any library in preparing a competitive application as far as staff resources permit.

Extending library services to areas of the State without services is a priority of 45 USC 130.4 . Public Library Systems (65 O. S. 1971, § 4-101) provides for this to be accomplished. ODL has operated under the general concept of "The local library outlet should be capable of meeting the recurring library needs of the majority of its library users. In many areas where the population and tax base are low this will be possible only through merger of the local library outlet with other public libraries into a consolidated library system."<sup>1</sup> The ODL is open to suggestions from the Legislative Council Subcommittee on Fiscal Operations as to alternative methods to extend library services. It is the opinion of the ODL however, that 65 O.S. 1971, § 4-101 provides the best possible means for achieving this federal priority. This does not mean that the Oklahoma Department of Libraries would not grant libraries federal funds for extension beyond legal service areas, such as municipal boundaries, if it were clear how such services would be continued and financially supported and if they were supported by methods provided in Oklahoma Statutes.

When the first public library system was established in 1958, an estimated 43 % of Oklahoma's population was not served by libraries. As of this writing that percentage has been decreased to 14 %. This has been accomplished by the use of Federal funds to demonstrate library service, a vote of the people of the counties receiving funds to levy a special tax, and the creation by ODL of a library district to administer funds and services. Any county in Oklahoma may apply for these demonstration funds. Counties with a higher percentage of disadvantaged persons will receive priority according to 45 USC 130.4. The latest county to receive demonstration funds was Pottawatomie in 1976. Both Pottawatomie and Woodward Counties voted the special library tax in 1976.

Libraries not presently in systems and not wishing to apply for demonstration funds may apply for other categories of Federal funds for special projects as these funds become available. The ODL has awarded a contract to Battelle Columbus Laboratories to evaluate the effectiveness of system and non-system libraries. The report and resulting plan will be presented to a state citizens conference on libraries in 1978.

#### CONTRACT ADMINISTRATION

The Oklahoma Department of Libraries is in agreement with and supports the audit team's findings.

#### ACCOUNTING AND FISCAL REPORTING PROCEDURES

The ODL is in agreement with the findings and is presently taking steps to implement alternative one.

#### INVENTORY AND CONTROL OF PHYSICAL ASSETS

ODL is in agreement with the general findings and will have a current inventory of equipment by July 31, 1977. Procedures for updating will follow. Books and materials are no longer purchased for multi county library systems.

#### PROCUREMENT POLICY

ODL is in agreement and supports the audit team's findings.

#### COMPENSATORY TIME

ODL is reviewing its procedures in allowing compensatory time. Abuse noted for "not going to vote" was an unfortunate misunderstanding and oversight. ODL allows up to two hours for employees to vote and the above mistake has been corrected. The short amounts of compensatory time claimed were generally in the Capitol Branch where the public services personnel are required to adjust their schedules as needed to reinforce the number of staff giving direct service to the public.

## ACTIVITY REPORTS

ODL is in general agreement and supports the audit team's findings for standard and consistent reporting. Data obtained from travel claims on consultant activities does not reveal the extent of these services. Most consulting services are less than 12 hours and do not necessitate a travel claim. Activity reports are an index to field reports. For example: Field reports from July 1 through March show 52 field visits to unaffiliated libraries as compared to only 14 revealed by travel claims.

## RECORDS MANAGEMENT, ESSENTIAL RECORDS AND ARCHIVES

The ODL wishes to particularly commend the audit team for their quick and objective grasp of a very serious problem in state government -- the control of the disposition of Oklahoma public records. The ODL will aggressively seek both a change in the Archives and Records Management legislation and sufficient appropriations for staff and space to bring the Department into compliance as well as other agencies not now complying with the act. Previous requests for these changes and increased appropriations, however, have failed as noted in the body of the report. Two employees provided by the Employment Review Board in December of 1976 were lost by the Division in the General Conference Committee of the First Session of the 36th Legislature. This was after the audit team had completed its survey.

## OKLAHOMA DOCUMENTS

ODL is in general agreement with the audit team's findings. It is absolutely necessary for a state to maintain a collection of its publications with adequate bibliographic control for use by universities, government agencies, and exchange with the Library of Congress. A minimum of 25 copies is necessary for adequate disposition of the documents to libraries within the State and research libraries in the Nation. Oklahoma is the only State in the Nation without a checklist of state publications. Current staffing of this service is inadequate.

## U. S. DOCUMENTS

The consultant mentioned in the report also strongly urged additional personnel. As the only regional depository in Oklahoma, ODL receives the complete publications of the U. S. Government distributed by the Superintendent of Documents. It is impossible to service this collection with the current staffing level of three employees. As mentioned in the introduction of the report, the ODL FTE was 63 for FY 77 but was raised to 68 by the Employment Review Board in December, 1976. One of these five emergency employees was assigned to U. S. Government Documents. ODL lost these five positions during the General Conference Committee of the First Session of the 36th Legislature after the team completed its findings. Further progress in shelving these thousands of documents seems uncertain without sufficient personnel.

## CATALOGING SECTION

Six thousand of the approximately 17,000 uncataloged books have now been processed. Book labels are now being printed in house, therefore it is estimated that in six months the backlog of unprocessed books on hand will be eliminated. ODL no longer purchases library development collection (LDC) materials. This will assist in reducing the backlog of unprocessed materials. Most of the backlog is LDC books and not materials for ODL's main or law collection.

LDC materials were used for system demonstrations.

## POLICY AND PROCEDURES MANUAL

ODL is in full agreement with the audit team's findings.

## LEAVE RECORDS

ODL is in full agreement with the audit team's findings.

## ABSENTEEISM

The absentee rate computed included leave without pay. One new employee had an excessive amount and was later discharged. Four other employees experienced major surgery during the period. The rate, discounting these employees' record, would be considerably less.

## EMPLOYEE TURNOVER

ODL is in full agreement with the audit team's findings.

## CLASSIFICATION OF PERSONNEL

The ODL is in general agreement with the findings.

## CONCLUSION

The following services of ODL did not command audit findings. These services are:  
(1) Legislative Reference (2) Law Reference (3) Institutional Library Services (4) Oklahoma Teletype Interlibrary System.

As to institutional services, 65 O.S. (1971) § 3-105 states "The Department shall assist with and supervise the establishment and operation of libraries at all State institutions and agencies, except public schools and institutions of higher learning." The ODL has requested a study of the library service in Oklahoma's correctional institutions. The study will be conducted by USOE staff and will be complete in August, 1977.

The ODL wishes to point out the valuable services of the Oklahoma Teletype Interlibrary System (OTIS) in achieving a high degree of economy and efficiency in providing library patrons, professionals and students with materials borrowed from libraries within Oklahoma and the nation. Between July, 1976 and March, 1977 ODL provided interlibrary loan service and funds for Oklahoma public, school, and university libraries. A total of 25,563 loan requests are broken down as follows: (1) public library systems - 10,235 requests (2) unaffiliated public libraries - 4,907 requests (3) university libraries - 8,526 requests (4) school libraries - 880 requests. Resource sharing among libraries is vital as the cost of books continue to rise. The ODL is committed to the goal of equal access to information for all Oklahoma citizens through a central core of information. ODL will pursue this goal with zeal to insure that Oklahoma citizens have every opportunity to take advantage of the wealth of educational materials available to them.

Robert L. Clark, Jr., Director  
Oklahoma Department of Libraries

1. American Association of State Library Agencies, Standards Review Committee, Draft of new standards for Library Functions at the State Level, 1977. p. 6.





DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

REGIONAL OFFICE  
1200 MAIN TOWER BUILDING  
DALLAS, TEXAS 75202

OFFICE OF EDUCATION

June 23, 1977

Mr. Robert L. Clark, Jr.  
Oklahoma Department of Libraries  
200 Northeast 18th Street  
Oklahoma City, Oklahoma 73105

Dear Bob:

This is in response to your request for comment on the ODL Performance Post Audit. Therefore, I have reviewed the ODL plans (LSCA Long-Range and Annual Programs) which the Office of Education has accepted in context with the recommendations of the audit. My findings are:

ODL grant categories provide for:

1. Library Development Grants to lead to establishment of library systems;
2. Special Project Grants consistent with Regulation 130.4(a) and (b);
3. Interlibrary Cooperation and Networking Grants;
4. Manpower Grants and
5. Statewide Projects.

The plans indicate that all legally established libraries are eligible to apply for grant funds within these categories. Criteria are presented for (1) Library Development and (2) Special Project Grants in order that ODL may be responsive to a purpose of the LSCA which is for extending public library services to areas which are unserved. As I understand the ODL provisions any legally established public library is eligible to apply for funds to extend services to areas which are unserved (this is called a "system demonstration"). This is consistent with the LSCA and a common method used in most States for causing extension of public library services. It is, also, my understanding that the plans include projects which provide benefits of the Federal funds for legally established libraries which are not in a library system (e.g.: OTIS, Childrens Program, Outreach Programs, Continuing Education, Construction, and general consultative services).

The plans provide that Library Development Grants intended to lead to establishment of a library system, improve the library services of inadequate public libraries in the area and cause the extension of

these services to an unserved area. If the demonstration is successful, a library system is established which continues improving services to the inadequately served areas and extending these services to the previously unserved areas. The Senate in S. Report 95-143 recently commented on how effective the LSCA has been in reducing the numbers of unserved persons in the Nation. Many states achieved this through demonstrations which led to establishment of library systems. Neighboring states of Texas, Oklahoma, Nebraska, Iowa, and Colorado have almost eliminated their unserved areas with this method.

Therefore, I am of the opinion that ODL's present policies and criteria for granting LSCA funds are consistent with P.L. 91-600, as amended, and 45CFR 130.4(a) and (b). The practice of developing and assisting system libraries to improve inadequate public library services and extend these services to the previously unserved areas seems to specifically address Regulation 130.4(b), (2) and (3).

Sincerely,



Denny Stephens

Library Services Program Officer

APENDIX

QUESTIONNAIRE SENT TO ALL PUBLIC LIBRARIES IN STATE



The ODL receives Federal funding through the Library Services and Construction Act (LSCA). A portion of this funding is available as grants to local public libraries.

1. Have you been informed by ODL that LSCA funding is available? yes \_\_\_ no \_\_\_
2. Have you been instructed by ODL on how and when to apply for LSCA funding? yes \_\_\_ no \_\_\_
3. Are you receiving LSCA funding through ODL grants during fiscal year 1977? yes \_\_\_ no \_\_\_

The ODL provides an Oklahoma Teletype Interlibrary System (OTIS), a statewide teletype loan network.

4. How many OTIS requests does your library make per week? \_\_\_\_\_
5. What percentage of these requests are filled? \_\_\_\_\_
6. What is the average time from request date to receipt of material? \_\_\_\_\_

The ODL maintains an Audio-Visual Section that provides films, audio-visual equipment, and consultant services to public libraries.

7. Have you been informed by ODL that these services are available? yes \_\_\_ no \_\_\_
8. Have you utilized ODL:
  - a. films yes \_\_\_ no \_\_\_
  - b. equipment yes \_\_\_ no \_\_\_
  - c. consultant services yes \_\_\_ no \_\_\_
  - d. summer film programs yes \_\_\_ no \_\_\_
9. Is there a charge for film services? yes \_\_\_ no \_\_\_

The Construction Consultant is on call to assist in planning a new public library building (with or without Federal Funds), remodeling an existing building, or rearranging or adding to presently owned shelving or furniture.

10. Has your library done any remodeling or expansion within the last year? yes \_\_\_ no \_\_\_
11. Has your library purchased new furniture or equipment within the last year? yes \_\_\_ no \_\_\_
12. Has your library utilized ODL assistance in:
- a. planning library construction yes \_\_\_ no \_\_\_
  - b. remodeling an existing building yes \_\_\_ no \_\_\_
  - c. equipment or furniture selection yes \_\_\_ no \_\_\_

The Library Development Consultants provide services on Library development, bookmobile operations, display programming, administrative organization and public relations techniques.

13. Have you been informed by ODL that these services are available? yes \_\_\_ no \_\_\_
14. Have you utilized consultant services in the following areas:
- a. Bookmobile Operations yes \_\_\_ no \_\_\_
  - b. Library Development yes \_\_\_ no \_\_\_
  - c. Display Programming yes \_\_\_ no \_\_\_
  - d. Public Relations Techniques yes \_\_\_ no \_\_\_
  - e. Administrative Organization yes \_\_\_ no \_\_\_

The ODL Children's Consultant offers services in storytelling, programming, and book selection.

15. Have you been informed by ODL that these services are available? yes \_\_\_ no \_\_\_



