

Action Item 2: Payment Retention and Reimbursal

Proposed Change to Policy:

Submitted by: J. Sara Paulk, Director of Houston County Public Library

J. Sara Paulk, Director of Houston County Public Library, requests that the following be revisited:

CURRENT POLICY:

Collection/Materials Recovery Agencies

Some PINES libraries contract with collection/materials recovery agencies to collect outstanding fines and fees or to recover lost materials. The following policies and procedures apply to this arrangement within PINES:

- Patron accounts in collections status must be paid at the referring library [2003.05]. (If a library inadvertently accepts payments on a patron account that is in collections, the library is responsible for immediately sending that payment amount to the library who referred the patron to collections.)
- A library may send any patrons to collections who have overdue materials as a result of transactions originating from the library in question, regardless of item ownership or patron home library [2007.05].
- When a patron is referred to collections, a Note should be added to the patron account to indicate which library took action. It is best practice to also bar the patron until the matter is satisfactorily resolved.
- Only the referring library may remove the collections status and may un-bar patrons in collections that are barred.

HOWEVER...

Paying Fines/Fees

PINES fines may be paid at any participating library, with the exception of patrons who have been referred to a Collection Agency.

AND...

Payment Retention and Reimbursal

Overdue fines will be retained by the collecting library, regardless of the original lending library [1999.10]. Payments for lost, damaged, or long overdue materials (along with any associated processing fees) will be retained by the collecting library unless the owning library sends an invoice for payment reimbursal to the collecting library within 90 days of the payment date [2016.09].

PROPOSED CHANGE:

Expansion of Payment Retention and Reimbursal to include Patron Accounts in Collection Status. All Patron payments will be retained by the collection library unless the owning library sends an invoice for payment reimbursal to the collection library within 90 days of the payment date.

REASON:

Turning patron in front of you away because you can't take their funds means no one gets the funds. Until all PINES libraries can get online or over the phone credit card payments, requiring patron to make payments only to referring library insures that some transactions will never be resolved.

Libraries that wish to send invoice to receiving library may still do in order to recover costs of collection agency.

Survey Results:

The following summary is based on survey results from 31 PINES Subcommittee members and Directors representing 23 library systems. One question was asked:

Do you approve of this proposed change?

Summary of All Responses:

	Responses	Percentage
Yes	25	81%
No	5	16%
Not Sure	1	3%

Responses from Circulation Subcommittee Members:

	Responses	Percentage
Yes	7	88%
No	1	12%
Not Sure	0	0%

Responses from Other Subcommittee Members:

	Responses	Percentage
Yes	5	83%
No	1	17%
Not Sure	0	0%

Responses from Directors who are not Subcommittee Members:

	Responses	Percentage
Yes	13	76%
No	3	18%
Not Sure	1	6%

Comments in Favor of Change

- I don't like turning anyone standing in front of us with money or card in hand, ready to pay. Adding this ability seems reasonable.
- I see many positive aspects of this proposal, including ease of payment for the patron sent to collections. That being said, my staff raised a couple of questions about how this would work in practice. (1) If the Note is not added or not clear, how will libraries taking in funds know who to remit funds to, especially for an item owned by one library with a Collections referral from another library? (2) Will libraries taking payment be authorized to unbar a patron at the time of payment, counter to the current recommendation?
- I wish that we could revisit putting more teeth into collecting overdue items. Smaller libraries really get hammered with losses when we have no effective way of utilizing a collection agency to regain our materials.
- If there are libraries that still want their patrons to make payments at their libraries, they can use the bar status to require the patron to return to their library and make payment.
- Patrons should have the ability to pay for any and all fines/fees owing on the account at any PINES library regardless of account standing. This works as long as the reports run do show and continue to show amounts received for referral to a collection agency.
- Question from CCLS: Can the library receiving the payment send the funds to the owning library without the need for the invoicing procedure? Is this how it was done years ago?
- This would be logical and useful. I hope this passes so we can stop frustrating people who want to do the right thing by paying for damaged/lost materials.
- Will there be a report which can be run to show specifically where the \$10.00 collections fees have been paid for? I know we can run a report for lost books paid for, but I don't know if the \$10.00 Unique fee is identified.

Comments Against Change

- We choose to not invoice libraries who receive lost item payments for non-collection accounts. However, we bar all the collection accounts specifically because we need to collect the \$10.00 fee.

I cannot speak for all libraries that use a collection agency, but we frequently do not charge the entire amount that displays in the bills. Over the years, we've seen issues where the account was not properly credited for the overdue fines when the item was marked lost. Also, we are willing to forgive or "negotiate down" the bills in exchange for payment on the spot. The minimum amount we charge is the \$10.00 agency fee.

If the account belonged to a juvenile who is now in their majority, we write off eliminate that fee as well.

So yes, it is an inconvenience for the user to be required to contact us, but they may actually end up paying a significantly reduced bill.

Other Comments

- I'm fine with this policy but have one request: the current PINES reports that we use to find the payments owed to our library for lost, long overdue, damaged, and processing fees do not pick up the billing type for collection fees.

While our library does not use Unique, many libraries do. Adding that billing type to the report would make it easier to make sure libraries bill for/send on appropriate payments.