

# Sending Books to Our Libraries

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# Gross Public Debt of Some OECD Economies: 1880-2014



Notes: Historical debt levels, GDP-weighted average.

1. Includes Australia, Canada, France, Germany, Italy, Japan, Korea, Spain, United Kingdom and United States.

Source: IMF Historical Public Debt Database; OECD Economic Outlook 94 Database; and OECD staff calculations.

StatLink  <http://dx.doi.org/10.1787/888932993617>

# Collection of Donations and Tax Benefits to Encourage Donations

- Act on Collection and Use of Donations
  - Article 5 (Restrictions, etc. on Collection and Receipt of Donations by the State) (1) None of the State, local governments, agencies thereof, public officials, or corporations and organizations established with an investment or contribution from the State or a local government shall engage in the collection and receipt of donations.
- Library Act
  - Article 9 (Donation of Money, etc.) (1) In order to support the establishment and operation of a library and its facilities and materials, any person may donate money or other property to the library. (2) Notwithstanding the provisions of the Act on Collection and Use of Donations, a library established by the State or a local government may receive a donation under paragraph (1).
- Tax benefits to encourage donations
  - 30 mil. KRW or less: Tax deduction of 15% of donation
  - More than 30 mil. KRW: Tax deduction of 25% of donation

# Current Donation Models and Their Limitations (1)

## ▣ Receiving used book donations

### ▣ Example

- ▣ “Book the More” project at the NLK
- ▣ About 90,000 used books annually
- ▣ 155,863 books in 2015:
  - ▣ Books not owned by NLK: Added to collection (20,982 books: 10,620 Korean books, 10,362 foreign books)
  - ▣ Books owned by NLK: Re-donated to other libraries (33,482 books)
  - ▣ Since 2014: Books used for digitization (35,412 books in 2015)  
→ Increase in efficiency

### ▣ Advantages

- ▣ Most widely used and oldest donation method
- ▣ Relatively easy to induce donations from members

### ▣ Limitations

- ▣ Donated books might not be what libraries actually need

# Scanning Donated Books for Digitization

- ▣ NLK's digitization project
  - ▣ Scanning donated books since 2014
    - ▣ Using automatic document feeder
    - ▣ Higher scanning efficiency

# Current Donation Models and Their Limitations (2)

- ▣ Receiving donations from publishers or distributors
  - ▣ Example
    - ▣ Korean Library Association (KLA): 170,000 books in 2015
    - ▣ ROK Army Culture Center: 350,000~400,000 books annually
  - ▣ Advantages
    - ▣ Publishers/distributors reduce the inventory of unsold books and reap tax benefits
    - ▣ Libraries receive new books
  - ▣ Limitations
    - ▣ Donated books might not be what libraries actually need
    - ▣ Books unpopular to consumers are highly likely to be ignored by library users as well

# Current Donation Models and Their Limitations (3)

- Receiving cash or gift certificate donations
  - Example
    - Donations through charitable groups (Friends of Libraries)
  - Advantages
    - Libraries can buy books of their choice: Most preferred
  - Limitations
    - Volatility of money/securities: Complicated processes, esp. for receiving receipts in smaller libraries
    - Donors suspicious about how their donations are used
      - ⌘ Act on Collection and Use of Donations only allows 15% of a total donation to be used for operational expenses

# Sending Books to Our Libraries: General Guidelines

- ❑ Minimize operational expenses.
- ❑ Guarantee the right to choose of recipient libraries.
- ❑ Procure active support from the government.
- ❑ Promote voluntary donations, but don't instigate excessive competition.



# Sending Books to Our Libraries: Detailed Guidelines (1)

- Donors can...
  - Choose a specific school/military library or a type of library (school or military).
  - Use all payment options accepted by online bookstores.
    - Cash, credit card, debit card, certificate, rewards points
  - Recommend certain books, but should acknowledge the right of libraries to choose their own books.
  - Receive reports on their donations, including info on the books purchased and the distribution of donations if a donor chooses a type of library.
  - Receive receipts for tax deduction purposes.

# Sending Books to Our Libraries: Detailed Guidelines (2)

- The Korean Library Association (KLA)...
  - Prepares and regularly updates a contact list of libraries and persons in charge with cooperation from relevant ministries (Education and National Defense).
  - Reports donations to the tax authority for tax deductions and issues receipts to donors.
  - Records the collection and use of donations and reports same to the tax authority, relevant ministries, donors and the public.
  - Answers queries by phone or via online.

# Sending Books to Our Libraries: Detailed Guidelines (3)

## ■ Online bookstores...

- Establish a system for:
  - Receiving donations and issuing receipts (by the KLA)
  - Transferring donations to recipient libraries' accounts after receiving approval from the KLA
  - Libraries to make purchases within the received donation amount
  - Gathering info for the KLA on the total donation amount and book purchasing status
- Create accounts for recipient libraries and guide persons in charge on purchasing books through their accounts.
- Ship books to recipient libraries and do not charge shipping fees to libraries, even in remote areas.
- Issue rewards points to libraries for use in future purchases.
- Donate a certain percentage of the donations to recipient libraries.

# Sending Books to Our Libraries: Detailed Guidelines (4)

- School and military libraries...
  - Order books using donations credited to their accounts.
  - Decide which books to buy based on their regular procedures.
  - Buy books recommended by donors, but ask for their understanding when this is not acceptable.
  - Provide guidance on donating to potential donors, including alumni, former/current soldiers, students, parents, etc.
  - Thank donors and inform them of the list of purchased books and how students/soldiers are using them.

# Sending Books to Our Libraries: Detailed Guidelines (5)

- The NLK, M. of Education, M. of Nat'l Defense...
  - Create and update a list of libraries and persons in charge.
  - Provide guidance to persons in charge and distribute guidelines if necessary.
  - Provide and operate a process for distributing donations made to a type of library (school or military).
  - The Ministries do not reduce the budget just because materials are provided through donations.
  - The NLK takes the role of overall manager and mediator.

# Conclusion

- Education in Korea must transit to self-directed learning, and thus Korea must develop an education system promoting creativity.
- As of 2014, 520,000 young Korean men are conscripted to serve in the army for 2 yrs → Important for army service to be an opportunity for self-development, not sacrifice.
- The above are two major tasks for Korea's development, and vitalizing school/military libraries is a basic and efficient means to achieve them. The national budget is limited, but collecting donations from the public may be effective.
- Other countries face similar difficulties, and thus Korea's experience will be meaningful.

# Thank you!

