

Memo

To: Montana State Library Commission

From: Jennie Stapp, State Librarian

Date: January 18, 2019

Re: Basic Library Services Account Coal Severance Tax (CST) funds budget adjustment

In August 2018 the Commission adopted a Fiscal Year (FY) 2019 starting budget that allocated the bulk of the Montana State Library’s (MSL) CST appropriation to the Library Development Division (LDD) though, at the time, no uses for the funds had been determined. The amount of CST monies appropriated to MSL increased significantly from what was in our base budget due to increasing revenue projections and the passage of House Bill 648 in the 2017. The reasons funds had not been allocated at the time the FY 19 budget was passed was largely because we were uncertain about how to project continued cash flow and we had a need to ensure that we met obligations from the account to fund grants to federations and to pay for contracts for the Montana Shared Catalog and OCLC.

At this time, staff is prepared to begin to spend these monies. Because these recommendations involve shifting monies from the LDD budget to the Digital Library, we believe requesting Commission spending authority is prudent.

MSL staff requests that the Commission act to reallocate up to \$30,000 from the Library Development budget to the Digital Library budget.

Coal Severance Tax Allocation				
	Original Allocation	Changes	New Allocation	
Library Development	\$ 263,085	\$(70,000)	\$	193,085
Federation Payments	\$ 176,122	\$ 40,000	\$	216,122
Digital Library	\$ 58,297	\$ 30,000	\$	88,297
	\$ 497,504	\$ -	\$	497,504

Assuming continued positive cash flow that aligns with spending authority, CST monies will be used for the following priorities.

1. Increased Federation Funds \$40,000

Funds will be spent according to approved plans of service. In FY 20 Federations will create their plans of service based on a total budget of \$225,000 rather than \$176,000.

2. Digital Public Library of America (DPLA) E-book platform \$50,000*

As a pilot partner with DPLA, MSL will test the integration of their ebook platform to bring together MSL's ebook content (professional development and state government publications) with MontanaLibrary2Go in a single user interface. MSL and MontanaLibrary2Go members would also have access to public domain content and would be able to test the ability to integrate additional third-party content. Finally, MSL would be able to test DPLA's ebook market place which may result in better ebook contracts that could include better pricing and/or acquisition models and/or the future integration of schools and academic library partners.

3. Gigabit Library Toolkit Evaluation for public libraries \$50,000*

MSL will hire a contractor who will complete the Toward Gigabit Libraries toolkit - <https://www.internet2.edu/research-solutions/community-projects/toward-gigabit-libraries/> for all Montana's 117 public libraries (mains and branches).

This baseline information will assist libraries and MSL to evaluate, plan for, and implement solutions to help libraries increase their broadband speeds and improving/replacing their equipment which supports the strategic framework of "creating a useful information infrastructure" and LSTA Goal 4 that "Every Montanan has access to the Internet." The contractor will provide an individual report to each library and a statewide report for MSL June 30, 2019.

4. Expanded government web archive \$25,000*

MSL contracts with the Internet Archive to maintain a web archive of state agency websites. The contract pays for archiving, data storage, and indexing of the sites and MSL has not increased the amount of funding for the web archive since its inception in 2018. MSL staff manage the frequency mt.gov websites are

archived based on data about how frequently the sites change but the amount of storage available is limited. Added funds will reduce the amount of staff time needed to administer the web archive and will ensure that MSL captures changes to agency sites. MSL is also seeking information about the cost to archive Montana county websites as part of a larger plan to encourage libraries to recognize their roles local government information centers.

5. Increased professional development collection budget \$ 5,000**

The digital professional development collection includes an ebook collection from Overdrive, online periodical databases and content licensed through Safari tech books.

*Cost not to exceed

**Depending on available cash and budget authority

If cash revenues exceed budget authority, that additional cash will remain in the Basic Library Services account and will be used to offset future expenses such the OCLC and Montana Shared Catalog contracts.,