



MEMO

To: Federation Task Force Members
From: Tracy Cook, Lead Consulting & Learning Librarian
Subject: Possible administrative rules changes
Date: March 1, 2023

The work of the task force is an opportunity to improve the Administrative Rules of Montana (ARM) for federations. If the task force wishes to recommend changes the State Library Commission starts the process. We would seek public comment on our proposed changes, make changes based on the public comment, and keep the Commission and library community apprised of any changes. Once we have a final set of proposed administrative rules, we conduct the formal adoption process which involves official notification, public hearings, and working with the Secretary of State's office to make changes to the ARM for federations.

I have placed questions and notes about changes to each rule above the proposed rule changes. The text in red are proposed changes based on the federation task force's recommendations.

- 1. Notes for ARM 10.102.5101:** We no longer have federation headquarters. That reference was removed from the Montana Code Annotated and should be removed from ARM.

10.102.5101: Description of Federation Areas ~~and Headquarters~~

(1) A list of federation areas ~~and headquarters libraries~~ is available without charge from the Montana state library.

- 2. Notes for ARM 10.102.5102:** If we decide to no longer require the coordinators to travel to Helena the reference to removing travel costs from the total allocation should be removed. If we decide to require funding be used for annual retreats we should consider adding that into the proposed changes.

10.102.5102: Allocation of funding between federations and grant programs

(1) At its first meeting following receipt by the library commission of the estimate of the appropriation to public library federations the commission shall allocate all funds received to library federations according to the following formulas:

- (a) Before funds are allocated among federations, the travel expenses for federation coordinators will be estimated and subtracted off the top of the funds federations receive. Each federation will receive travel funds for its coordinator. The remaining portion of the appropriation allocated to library federations shall be distributed among the six federations



according to the following formula: 50 percent of the first \$250,000 shall be divided equally among the six federations and 50 percent shall be allocated on the basis of population within the six federations.

(b) Any appropriation in excess of \$250,000 shall be divided according to the following formula: 20 percent of the remainder shall be allocated equally among the six federations. 80 percent of the remainder shall be allocated among the six federations on the basis of population.

(2) The state library commission has the responsibility and authority to ~~approve federation plans of service and to~~ approve or deny funding for the federations after reviewing the annual plans of service. ~~components of the plans of service.~~

(a) A federation and individual member libraries of a federation may not receive a distribution of appropriated funds from the state library commission until the federation's annual plan of service for federation activities is approved by the commission.

(b) Following approval of a federation's plan of service, the state library commission, through the state library, will distribute appropriated funds to eligible member libraries, ~~that are members of the federation according to the federation's approved plan of service.~~

(c) The state library commission can disapprove a plan of service if the federation plan of service violates Montana Code Annotated or Administrative Rules of Montana, ~~only because:~~

~~(i) it was not prepared according to the procedures and forms established by the state library commission; or~~

~~(ii) it does not address the authorized purposes and/or priorities as established by the state library commission to implement its state long range plan for libraries.~~

~~(3) Each federation's annual plan of service shall be based upon direction given by the state library commission from its consideration of the state long range plan for libraries. The annual plan of service is submitted to the state library each spring for consideration and action by the state library commission. Changes or appeals related to the plans of service are acted upon by the state library commission in May and June of each year.~~

(4) Each federation member shall expend the federation funds according to the purposes stipulated in the federation's adopted plan of service. Each member shall annually report how the funds were used for the stated purposes, ~~to the federation coordinator and a copy of the report will be provided to the state library commission. If the federation member does not use funds as set forth in the annual plan of service, the federation coordinator shall notify the state library commission within 30 days.~~

(5) If a federation member does not use funds in accordance with the proposals set forth in the annual plan of service, then the member will be notified by the state library commission and the member shall return the funds to the state library commission within 60 days. The state library commission shall revert such funds to the appropriate state account.

(6) Each federation shall ensure equal opportunity for representation of its member libraries and shall have approved bylaws that shall address ~~approval procedures for the annual plan of service, proxy voting, quorum requirements and other~~ procedural matters necessary for conducting federation business.

(7) An appeals process shall be available for any federation that is denied funding or for any member library that is required to revert funds. This appeals process shall follow the appeals process for denial of a grant as set forth in ARM [10.101.206](#).

3. Notes for ARM 10.102.5103 and 5104: Both rules were repealed in 2003.

4. Notes for ARM 10.102.5105: Based on the recommendation to remove the requirement that a library board member chair the federation meetings the language about the federation board of trustees has been removed. As with any changes to Administrative Rules we should consider the implications of removing the reference to the board of trustees.

10.102.5105: ~~Joining Library Federations~~

(1) Libraries eligible to join federations include any public, school, special, college, tribal, or university library.

(2) Each member of the federation shall designate one person to serve as a voting delegate to the federation. ~~Delegates shall establish in the federation bylaws the size and the composition of the federation board of trustees.~~

~~(a) The majority of the board shall be public library trustees and the board shall have at least one representative from each type of library that participates in the federation;~~

~~(b) At the spring meeting, the federation delegates shall elect the board members according to federation advisory board bylaws.~~

5. Notes for ARM 10.102.5106: The proposed changes to this administrative rule clarifies how funds can be spent and better reflects the current use of federation funds. Are there any recommendations for changing the use of the funds? If so, what are they?

10.102.5106: ~~Base Individual Library Grants from Federation Funds~~

(1) The commission receives a legislative appropriation to fund ~~federations the base grants. The total distribution per federation shall remain the same as in FY 1998 unless the legislative appropriation changes. The Commission will follow ARM 10.102.5102 to allocate funding for federations.~~

(2) ~~After receiving recommendations from the advisory board, the federation shall distribute the base grants in two ways:~~

~~(a) The federation may use the grants to fund federation projects that maintain or improve cooperative library services and activities; or~~



~~(b)~~ The federation may ~~also~~ allocate grants to public libraries to support the cooperative activities and services of the federation.

(i) The federation shall direct these grants to meet the following objectives:

(A) support participation in regional or statewide cooperative efforts

~~to increase the amount and quality of unique library resources in the federation and state. Libraries may purchase library materials to accomplish goals established in the federation or state's collection development plan;~~

(B) to purchase hardware, software, or other IT services that improves technology at the local library ~~to increase the online availability of local bibliographical information. Libraries may purchase subscriptions to bibliographic databases, add and maintain holdings in these databases, and purchase the necessary equipment and software;~~

(C) to increase the visibility of libraries in the federation or state. Libraries may use base grants to promote or market libraries through a group project involving more than one library in the federation;

(D) to support resource sharing that enhances, improves, and gives better access to library materials;

(E) to increase the work-related knowledge, skills, and abilities of library staff and trustees. Libraries may use base grants to support education opportunities and to share this education with other federation members; or

(F) to support other objectives that enhance the cooperative activities and services of the federation and meet the legislative intent of the legislature.