

The Legislative Fiscal Division Presents an Agency Profile of:

The Montana State Library

Contact: Micaela Kurth, Fiscal Analyst

Rm 110P, State Capitol

Phone: (406) 444-4581

E-mail: mkurth@mt.gov and website: www.leg.mt.gov/css/fiscal

Updated October 2014

Definition of Terms

Agency Description

The Library Commission, authorized in Section 22-1-101, MCA, administers state and federal library funding to operate and maintain the state library, oversees the six library federations located throughout Montana, and develops statewide library long-range planning, policy, and service coordination. Located in Helena, Montana, the Montana State Library, and the library commission, work to provide maximum access to information services for all Montanans.

The Montana State Library staff and the library commission address mandated duties with FTEs and volunteers who maintain: a library of reading material for Montanans unable to utilize printed materials; a centralized clearinghouse for natural resources information related to Montana's plant and animal species and habitat, as well as comprehensive land data; a depository system for state government publications; and digital library services to Montana residents via the Internet.

Additionally, through direct support to Montana libraries and Montana's six regional library federations (22-1-413, MCA), the state library assists all tax-supported libraries and local governments wishing to establish or improve libraries, and helps local libraries purchase and maintain high-cost library services and products at prices that are cost effective and in a way that encourages collaboration.

The state library staff also manages federal, regional, state and private funding to support the programs of the state library as well as local libraries.

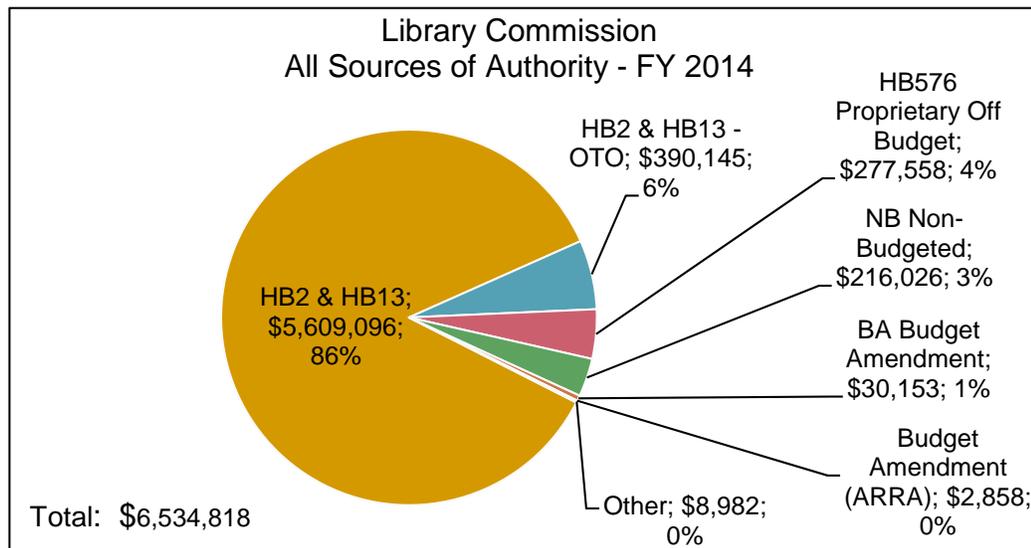
How Services are Provided

The state library provides these services with the following functions:

- The Montana State Digital Library provides resources to support the information needs of state agency management and staff, Montana librarians, and the public, including businesses and students. Specialized information resources include State of Montana publications, natural resource and geographic information, and information about the unique plants, animals and habitats of Montana. Digital library information and services are offered to users via the Internet and through one-on-one assistance.
- The Statewide Library Resources Division provides consulting, technology services and program support for all libraries in Montana.
- Montana Talking Book Library provides library services to those who cannot read traditional print material. This program serves about 3,900 people and has nearly 100 volunteers.

Administration provides central management, fiscal and accounting services and federal program administration.

Sources of Spending Authority

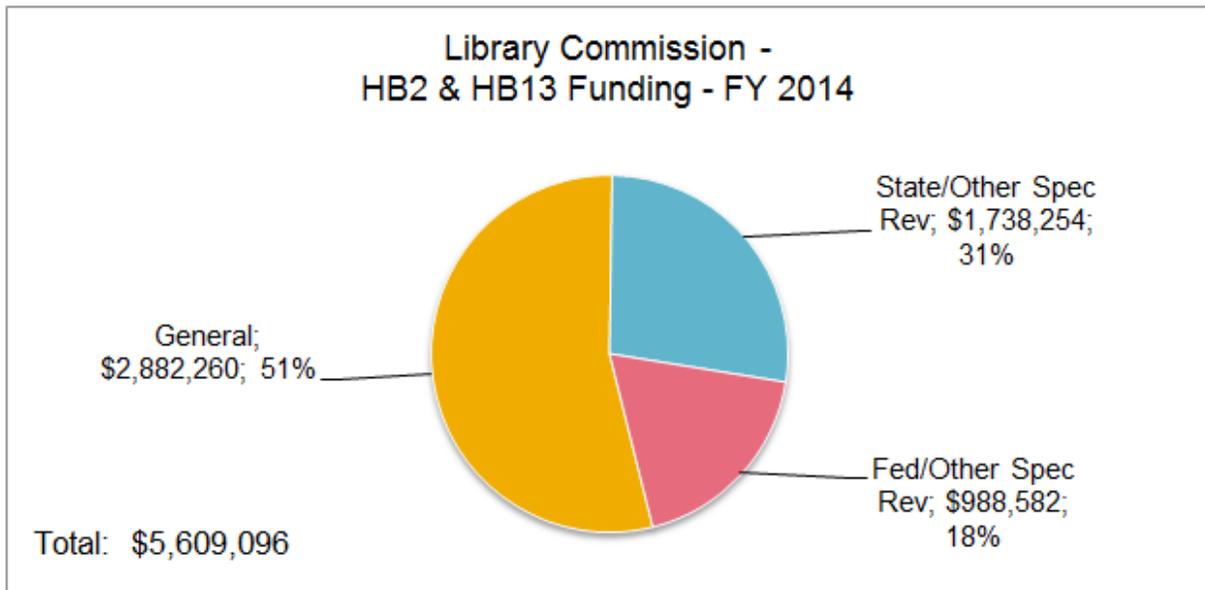


The above chart shows the sources of authority for the Montana State Library. The library receives the majority of its spending authority from HB 2 & HB 13. Secondary authority comes from other authority comprised of:

- Administrative appropriations
- Private, non-budgeted funds (indicated as other in the chart)
- Budget amendments
- Non-budgeted proprietary funds

Funding

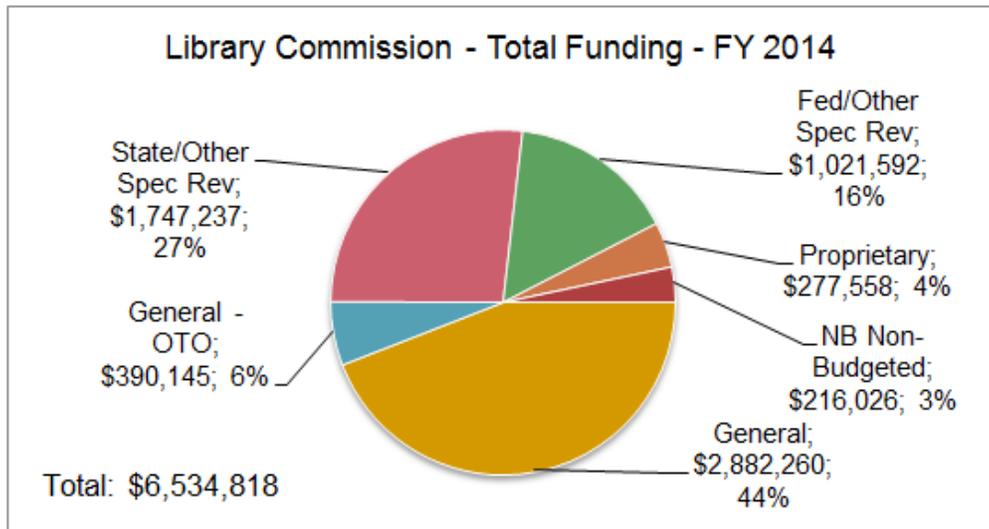
The following charts show the agency's HB2 & HB 13 funding authority by fund type and all sources of its total funding authority.



General fund comprises the largest fund source of the agency's HB 2 & HB 13 appropriation.

The second largest HB 2 & HB 13 funding source is state special revenue. The library uses the coal tax shared revenue to help fund the periodical database subscriptions available to all Montanans through their local libraries library and online resources and services that benefit libraries. This revenue also helps the library federations provide service to local libraries through cooperative purchase of services and products and continuing education.

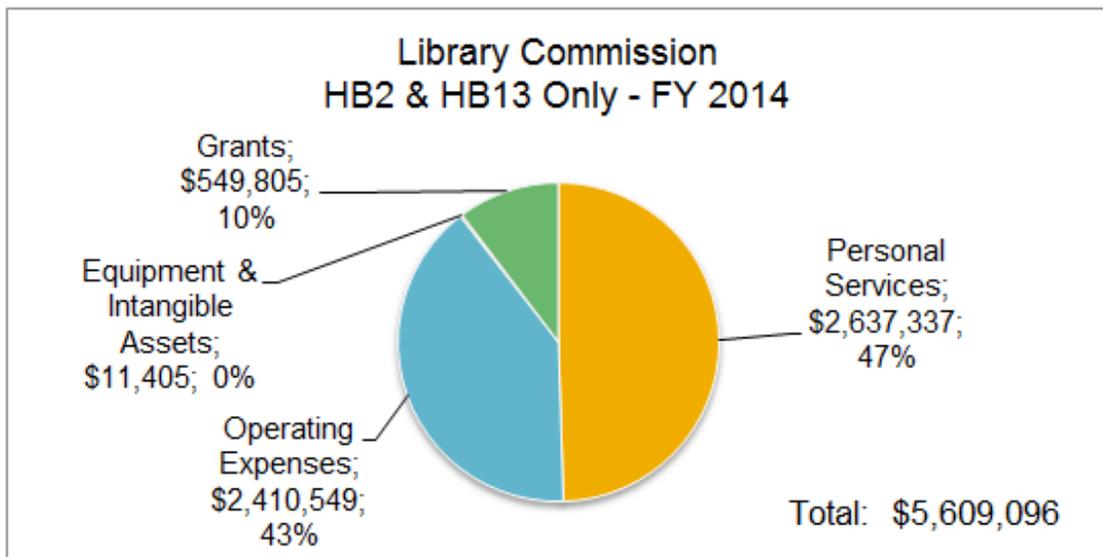
The third largest HB 2 & HB 13 funding source is federal special revenue. Spending priorities for Federal Library Service Technology Act funds are determined by a 5-year plan approved by the Institute for Museum and Library Services. Grant funds can be used for statewide projects such as the Montana Shared Catalog that provide resources to libraries, and staff and operations associated with State Library programs such as the Talking Book Library and the Statewide Library Resources Division. Recommendations for how to spend Library Services Technology Act funds are made by the Network Advisory Council, a representative body of librarians, and are approved by the library commission.



Total funding by fund type shows general fund is the largest source of funding at 44% due to an increase in state funds for fixed costs, increased distribution to public libraries, and adding a water information system manager. This position will not be included in the base budget for the 2017 biennium. The second largest source of funding is state special revenue, followed by federal special revenue. The remainder of total funding comes from non-budgeted proprietary funds and other trusts.

Expenditures

The next chart explains how the HB 2 & HB 13 authority is spent in FY 2014.



HB 2 & HB 13 expenditures in FY 2014 totaled \$5,609,096. Personal services and operating expenses account for 90% of the library's total HB 2 & HB 13 expenditures in FY 2014. Operating expenses are driven by the state library's services and general operations related to the talking book library and its digital collections, with an emphasis on technology costs to support digital library services, as well as grants and services to local libraries throughout the state, and library development.

How the 2015 Legislature Can Effect Change

In order to change expenditure levels and/or agency activity, the legislature must address one or more of the following elements that drive costs.

In order to change expenditure levels and/or activity, the legislature might address laws:

- Governing the authority of the state library commission
- Impacting the library staff such as consultation with and support of local libraries; applying for, accepting and expending grant funds; and providing library services for the blind or individuals with physical disabilities
- Relating to the code of standards for Montana public libraries, standards and certification for librarians.
- Governing the existence, definition and location of the state library, its collections and services, and equal access to information.
- Relating to the Montana state library trust
- Governing the location and operation of the Natural heritage program, and its relationship with principal data source agencies (the department of natural resources and conservation; the department of fish, wildlife and parks; the department of environmental quality; the department of agriculture; the department of transportation; the state historical society; and the Montana university system)
- Governing the natural resource information system (NRIS) and the water information system

The legislature is less likely to control:

- Federal legislation impacting libraries
- Initiatives or legislation responding to citizen action
- Citizen expectations of web-access libraries
- The amount of information generated, print or media, on a state, regional, or federal level that is to be maintained by the Montana state library
- The number of citizens needing state library services

Major Cost Drivers

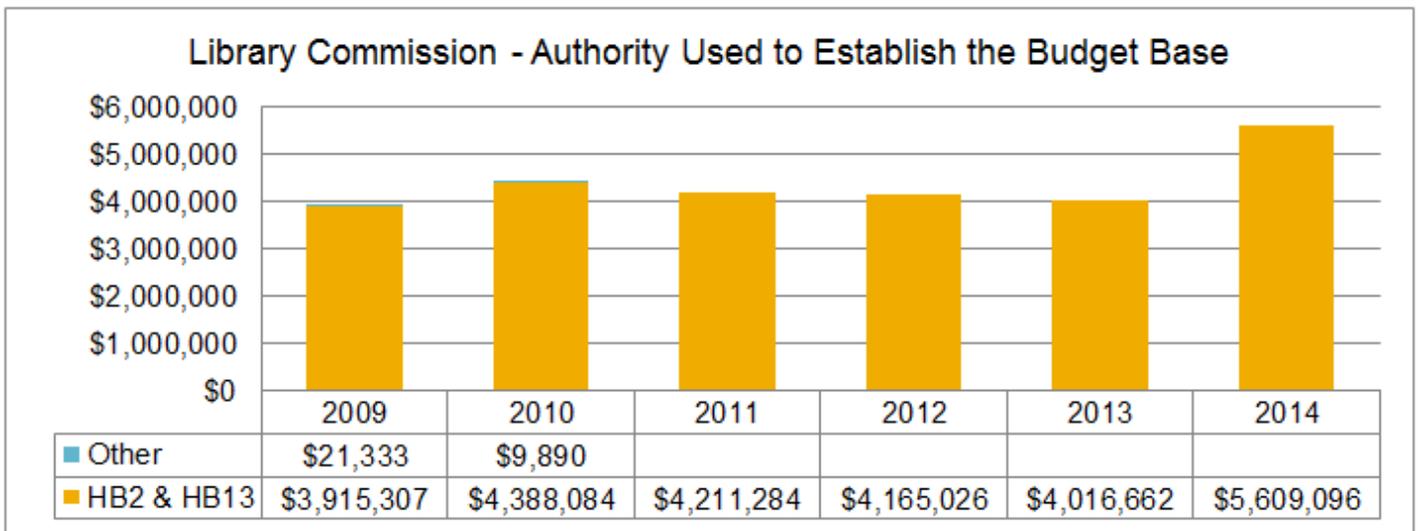
<i>Element</i>	<i>2012</i>	<i>2014</i>	<i>Significance of Data</i>
Library Development Outreach Services to Montana Libraries	15,572	18,652	Increased outreach statistics reflect increasing use of new outreach technologies including web services for online meetings, webinars, a new online learning portal, blogs, and help desk tools in addition to in-person, telephone, and e-mail consultations; additional staff also provide outreach through statewide programs like the Montana Shared Catalog and MontanaLibrary2Go.
Talking Book Library Circulation	246,504	231,371	Changes in technology and an increase in available titles is driving increased demand for online digital circulation. In addition to mail delivery circulation, MTBL is managing increased availability and use of downloadable resources (17,481 downloads in FY14, up from 12,344 downloads in FY12). While we anticipate that mail circulation will continue to decline, demand for digital services and the technology and resources to support them will continue to grow.
Statewide Online Reference Databases	6,445,852	25,604,219	Numbers continue to indicate increasing use of online services and the value of the information provided through statewide databases including live online tutor help. Discovery of quality information has increased through new services like the centralized index, DiscoverIt! As vendor costs rise, increased funding is required to maintain current service levels. **MSL selected a new database vendor through the state procurement process. This new vendor has a different method for reporting database search statistics. Users have the ability to search all databases simultaneously through a single statewide discovery system, increasing searches significantly.
Digital Library Web Services Usage	2,732,581	6,120,543	Increased use of online services reflects continued growth of available services and access to the growing collection of digital state publications. Additionally, numbers reflect the added responsibility to manage and provide access to increased geospatial data as a result of HB 38 passed by the 2013 Legislature.

Funding/Expenditure History

The table below shows the six year funding history for the agency. Funding on this table reflects funding included in the HB 2 & HB 13 budget base.

Major reasons for changes are:

- General fund increased between FY 2009 and FY 2010, but has declined since FY 2010 due to the Governor's general fund reduction in FY 2011
- The 2011 Legislature also reduced both general fund and state special revenue to fully implement a 5% expenditure reduction plan for the 2013 biennium
- The 2013 Legislature approved an approximate \$1.2 million increase in the 2015 biennium due to an increase in fixed costs, increased distribution to public libraries, and adding a water information system manager (position not included in base)



Major Legislative Changes in the Last Ten Years

In 2008, the Montana State Library became the fiscal agent for the Montana Shared Catalog. The catalog is a cooperative project currently involving over 160 libraries across the state. Public, school, academic, medical, and special libraries have pooled their resources together to purchase a robust library automation system. Members also enjoy the benefits of shared expertise and the ability to provide great service to library customers.

The 2009 Legislature eliminated approximately \$500,000 support from the natural resource operations account/Resource Indemnity Tax revenues and replaced the revenue with a like amount of state general fund.

The 2013 Legislature transferred the Base Map Service Center formerly housed in the Department of Administration to the State Library. This move had been recommended by the executive. This added 2.50 FTE and \$1.9 million state special revenue and reducing the Department of Administration budget by a similar amount.

Agency contact information

Montana State Library

P.O. Box 201800, 1515 East 6th Avenue

Helena MT 59620-1800

Phone: (406) 444-3115 TTY/TTD: (406) 444-4799 Fax: (406) 444-0266

Email: msl@mt.gov