



MEMO

To: Education Interim Budget Committee
Representative David Bedey, Chair

From: Jennie Stapp, Montana State Librarian

Subject: House Bill 946 Study

Date: March 6, 2024

The following information is provided at the request of the Committee in response to information prepared by the Department of Administration (DOA).

Thanks to the foresight of past Legislatures as well as recent legislative action, the Montana State Library (MSL) is unique among state agencies and state libraries. Statute requires MSL to provide services to support and develop Montana's 700+ libraries, to manage a 21st century state government information depository program, to ensure that those Montanans who cannot read print materials benefit from the same degree of information access as others in our state, to provide for the acquisition, storage and retrieval of information on Montana's diverse plants, animals, habitats, and water resources, and to coordinate and manage geospatial information about Montana that underpins all aspects of our lives. The common thread to these statutory requirements is that, by successfully meeting these mandates, all Montanans have access to information sufficient for their needs.

MSL is recognized and regularly commended for transparency and trustworthiness. These are values to which MSL is committed and we work hard to ensure that all staff, regardless of our professional backgrounds, appreciate and respect one another and our shared mission to serve Montanans and their information needs. To promote trust, we endeavor to be as transparent as possible in our reporting and our use of online dashboards including our [financial reporting](#) and [human resources dashboards](#). MSL's work plan captures information about our current priorities: [Workbook: WorkPlan 2024 \(mt.gov\)](#).

To meet these statutory requirements, MSL requires staff with unique skill sets including librarians and information professionals, GIS analysts, zoologists and botanists and a geodesist. MSL's budget to fund these services is equally varied consisting of state and federal funds, grants, contracts, proprietary monies, and a new subscription model to fund the Montana State Reference Network. The information management functions of MSL also mean that, though MSL is a small agency, MSL has a very large information technology (IT) footprint.

MSL's work is bolstered by trusted, single points of contact for our human resources, financial and accounting, legal and IT services who contribute significantly to our culture of excellence.



Because MSL staff can rely on these staff, our uniquely qualified professionals are able to devote their time to the work they are hired to do.

- The Montana State Library (MSL) currently employs 52 FTE in 32 different job classifications. Several employee classifications are unique to MSL, and even where we have classifications in common with other agencies, many of these positions have unique roles within Montana state government;
- MSL is governed by a 7-member Commission that includes 5 Governor appointees, the Superintendent of Public Instruction, and an appointee from the Commissioner of Higher Education;
- MSL's budget is \$10,000,000 across 45 projects;
- MSL receives nearly \$900,000 in contract dollars;
- MSL staff manages 450 terabytes of data from a variety of data collections;
- MSL IT staff support 104 computer endpoints; and
- MSL IT staff respond to an average of 600 help desk tickets annually.

Human Resources Services

The Montana State Library (MSL) currently employs one Human Resources Specialist who is classified as a Human Resources Generalist 3.

Staff	Salaries	Benefits	Total
HR Generalist 3	\$ 76,656.70	\$ 26,446.21	\$ 103,102.91

Taxes + Medical benefits

From the list of human resource services documented in DOA's response, DOA currently provides the following services to MSL at no cost:

- Position Classification
- Advising on HR policy and labor law
- Labor relations/collective bargaining support

Additionally, DOA routinely advises MSL in the following HR areas:

- Pay/compensation strategies
- Employee safety
- HR policy review and enforcement

In addition to routine human resources responsibilities and the services provided by DOA, MSL relies on our Human Resources Specialist to:



- Provide one-on-one coaching and training to supervisors on HR matters such as performance management and coaching, improvement plans, documentation, general support and advice;
- Provide training and support to staff on the use of the Talent management system;
- Provide information on performance evaluations including timelines and expectations, reminders, completion tracking, coaching and administrative support;
- Respond to HR data requests and inquiries from the Commission;
- Staff the Commission Personnel Subcommittee;
- Present State HR policies to the Commission for review and adoption;
- Provides regular communication to agency leadership on matters of importance from the State HR Division;
- Coordinates all aspects of the agency Governors Award for Excellence nominations;
- Coordinates MSL's VEBA program including administering the annual election and training; and
- Coordinates team building activities such as the annual holiday food drive.

Budget/Accounting Services

MSL currently employs one Accountant who is classified as an Account 2 and a ¾ time Accounting Tech who is classified as an Accounting Technician 1.

Staff	Salaries	Benefits	Total
Accountant 2	\$ 60,435.42	\$ 23,526.38	\$ 83,961.80
Accounting Tech	\$ 35,993.64	\$ 19,126.86	\$ 55,120.50
	<u>\$ 96,429.06</u>	<u>\$ 42,653.23</u>	<u>\$ 139,082.30</u>

Taxes + Medical benefits

In addition to routine budgeting and accounting services, MSL relies on our Accountant to:

- Create the agency budget from scratch which requires an intricate understanding of agency goals and objectives, project deliverables, and the associated costs to achieve those goals;
- Monitor agency expenditures, run budget projections and compare expenditures to projections;
- Meet quarterly with all program leads to review program budgets, ensure spending is on track and to plan for any unforeseen budget matters;
- Closely monitor year-end spending;
- Manage draw downs on federal grants;
- Prepare reports for the State Library Commission;
- Staff the Commission Finance Committee;



- Provide fiscal reporting for a variety of grants and contracts;
- Update, maintain and test agency internal controls;
- Invoice and receive payment from dozens of libraries who share costs for current statewide library services, and track and report on libraries who have not made payments;
- Issue state aid checks to Montana's public and tribal college libraries;
- Issue payments to Montana Geospatial Information Act grant recipients;
- Implement and administer the new enterprise subscription model for the Montana State Reference Network; and
- Provide subject matter expertise on matters such as how to distribute costs for shared services across hundreds of libraries.

Legal Services

MSL receives legal services from the Department of Justice Agency Legal Services (ALS) Division through a memorandum of understanding. The rate for attorney services is \$121/hour and the rate for paralegal services is \$71/hour.

Recent legal expenses to ALS by fiscal year:

FY '22	FY '23	FY '24 (year to date)
\$26,842.25	\$11,090.71	\$14,803.20

From the list of legal services documented in DOA's response, DOA currently provides legal guidance to MSL in the following areas at no cost:

- Procurement and contracting;
- Information technology procurement;
- Human Resources; and
- Labor relations.

Of note, the MSL Commission has expressed concerns about the current support from Agency Legal Services and has directed MSL to explore other options.

IT Services

MSL currently employees one IT Manager who is classified as an IT Systems Administrator Supervisor, a Database Administrator classified as a Database Administrator 2 and one IT Systems Support classified as an IT Systems Administrator 1.



Staff	Salaries	Benefits	Total
Database Administrator 2	\$ 81,244.47	\$ 27,272.00	\$ 108,516.47
IT Systems Administrator Supervisor	\$ 85,404.47	\$ 28,020.80	\$ 113,425.27
IT Systems Administrator 1	\$ 65,549.57	\$ 24,446.92	\$ 89,996.49
	<u>\$ 232,198.50</u>	<u>\$ 79,739.73</u>	<u>\$ 311,938.23</u>

Taxes + Medical benefits

In addition to more routine desktop support, networking support, and IT procurement, MSL IT staff have unique subject matter expertise to support our robust digital collections of recorded talking books, historic digital state government publications, and our extensive geospatial information systems computing environment.

IT staff also lend their subject matter expertise to efforts coordinated by MSL on behalf of local libraries. For example, during the pandemic MSL relied on these staff to provide advice on the types of laptops and tablets procured by MSL for libraries to lend to their patrons and on wifi management options and internal network upgrades made in approximately 30 libraries and funded with American Rescue Plan Act dollars.

For additional IT support, SITSD offers professional services at an hourly rate. MSL's IT budget includes 630 hours of professional support each year of this biennium. Examples of professional services SITSD currently provides to MSL include support for the implementation of the State's Cascade web content management system and programming development and project management for a transition to the State's ServiceNow system.

For any new IT services, MSL seeks solutions from SITSD first. Only when SITSD does not provide those services, or if SITSD advises MSL to seek outside solutions, does MSL seek them from external sources.

Additional considerations

An area of expertise that MSL currently lacks is communication and the services of a Public Information Officer. MSL would appreciate support for these functions if available from DOA.

This response is based on information provided by DOA to the Committee, as well as our experience as a current recipient of some DOA services. More cost information is necessary to fully evaluate the fiscal impact of the adoption of any additional DOA services. This information should consider those services already provided to MSL by DOA at no cost, whether DOA's current capacity is adequate to provide the level of service necessary to support our agencies and should recognize that MSL would still be required to retain a level of administrative expertise to address needs unique to MSL that DOA would not otherwise be able to manage.



That said, cost should not be equated with value which is more difficult to quantify but is reflected in other measures of MSL's success. For example, MSL:

- Manages all fiscal appropriations well;
- Completes projects on time and on budget;
- Endeavors to have clean audits;
- Proactively considers pay and other human resource needs to hire and retain uniquely skilled employees;
- Responds to help desk tickets and IT requests in a timely manner;
- Proactively manages IT resources necessary to support the management and delivery of the information resources Montanans expect; and
- Is a sought-after employer that has not experienced the costly increase in staff turnover seen at other agencies.

MSL's current administrative services structure is highly personalized and allows staff to build relationships with one another that foster teamwork and the trust needed to achieve these successes. This teamwork is recognized even by other agency employees who have referred to MSL as a family.

Closing remarks

MSL recognizes that the State of Montana is a single employer and that the State strives to be as efficient as possible with taxpayer dollars. MSL follows the policies set forth by DOA and appreciates the support they offer. It is up to each agency to implement those policies to meet our unique business requirements. To be efficient, this work requires an appropriate balance of centralized services and agency-specific expertise.

House Bill 946 directs the Interim Budget Committee to study the services that DOA may provide to MSL and efficiencies that may be created. While other efficiencies have not been identified, the types of consolidation proposed are typically considered to achieve cost savings. These savings are often found through the reduction of duplicative staff functions and positions. MSL believes it is evident from the information provided by MSL, and other agencies, that the administrative changes proposed by DOA would not result in meaningful cost savings. MSL is concerned that the lack of access to administrative staff dedicated to our agencies' staff and missions would likely result in the loss of efficiency and other potential harms to agency performance.