

# Memo

**To:** State Library Commission

**From:** Darlene Staffeldt, State Librarian

**CC:** Bob Cooper, Tracy Cook, Maggie Meredith, Suzanne Reymer

**Date:** November 13, 2009

**Re:** **Administrative Rules Changes for ILL monies repurposing**

This is the current rule which we will delete:

**10.102.4001 REIMBURSEMENT TO LIBRARIES FOR INTERLIBRARY LOANS**

(1) Definitions used in this subchapter include:

(a) "Interlibrary loan" means the loaning or provision of copies of library materials from one Montana library to another Montana library. Such materials are to include, but are not limited to, the following: book, copy in lieu of book, magazine/periodical, copy in lieu of magazine/periodical, audiovisual title, government document/technical report, and pamphlets, some of which are to be returned.

(b) "Libraries eligible for interlibrary loan reimbursement" are defined in [22-1-328\(2\)](#), MCA.

(c) "Net loaning libraries" are those libraries whose interlibrary loans exceed their borrowing of library materials during the year for which they seek net loaning reimbursement, provided the libraries reported and requested reimbursement for the loans.

(2) Reimbursements will be made on an annual basis based on the following:

(a) Reimbursement will be made at a rate determined by the State Library.

(i) This rate is based upon an estimated number of annual interlibrary loans (ILL) in Montana and available funds.

(ii) Available funds for ILL reimbursement will be divided evenly in half.

(iii) Every eligible library will be reimbursed from one-half these total available funds. These funds, shared between every eligible library, shall be called "simple loaning reimbursement".

(iv) Simple loaning reimbursement will be computed by dividing the total available funds in half, and distributing that half of the funds in proportional amounts to every library eligible for simple loaning reimbursement. The total amount of money available to the State Library for simple loaning reimbursement will be divided by the total number of loans reported to obtain the per-loan rate of reimbursement. The rate of reimbursement will then be applied to each simple loan to determine the amount of reimbursement for each library.

(v) Only net loaning libraries are eligible for reimbursement from the remaining half of the total available funds after simple loaning reimbursement funds are distributed. These funds shall be called "net loaning reimbursement".

(vi) Net loaning reimbursement will be computed by dividing the total amount of money available to the State Library for net loaning reimbursement by the total number of net loans reported to obtain the per-loan rate of reimbursement. The rate of reimbursement will then be applied to each net loan to determine the amount of reimbursement for each library.

(vii) These rates may be adjusted if deemed necessary by the State Library by dividing any remaining funds by the number of interlibrary loans claimed for reimbursement.

(b) A form for requesting reimbursement will be issued by the State Library. No reimbursement shall be made to any library which does not use the reimbursement form to submit its reimbursement request, or which fails to meet specified submittal deadlines for such requests.

(c) Each annual payment shall be made only for interlibrary loans within the specified year for which reimbursement funding is available. No count of interlibrary loan transactions shall be carried over from one year to another.

(d) Reimbursements will be made within 30 working days after the submittal date.

(e) No library may levy service charges, handling charges, or use fees for interlibrary loans for which it is reimbursed under the provisions of [22-1-325](#) through [22-1-331](#), MCA and these rules.

(i) Actual charges for postage are discouraged but not expressly prohibited under these rules.

(ii) Costs for special postal handling of interlibrary loan requests, when requested by the borrowing library, are chargeable costs.

(iii) Interlibrary loans, when completed via electronic submission, also count as reimbursable interlibrary loans. Costs associated with such electronic submission are chargeable if the transmission was specified by the requesting library. Electronic submissions qualify as special handling.

(iv) Per page photocopying charges may not be separately charged to the borrowing library but are assumed to be covered by the reimbursement under these rules.

(f) Providers of interlibrary loan are expected to follow the law in relation to copyright.

(g) Libraries applying for interlibrary loan reimbursement under [22-1-325](#) through [22-1-331](#), MCA and these rules must retain certain records as follows:

(i) The library requesting reimbursement shall retain records of interlibrary loans which support and agree with the number submitted for reimbursement. These records must include both the number of items loaned to eligible libraries, and the number of

items borrowed. Reimbursement requests will include library-by-library detail of items lent to, and borrowed from, as well as total items borrowed and lent.

(ii) Libraries requesting reimbursement shall retain their records of interlibrary loan transactions for a period of three years and must produce these records for auditing purposes.

(h) For any questions arising because of this rule, the final arbiter is the State Library Commission.

(3) For a library to receive reimbursement through the program, it must annually certify to the State Library that the appropriate member of its staff has demonstrated competence regarding the application of the standardized interlibrary loan protocols.

History: [22-1-330](#), MCA; [IMP](#), [22-1-328](#), MCA; [NEW](#), 1989 MAR p. 1844, Eff. 11/10/89, [AMD](#), 1991 MAR p. 2604, Eff. 12/27/91; [AMD](#), 1998 MAR p. 3104, Eff. 11/20/98; [AMD](#), 2006 MAR p. 2405, Eff. 10/6/06.

Recommended language for new rule:

The commission will administer the funds appropriated by the legislature to support and facilitate resource-sharing among libraries in Montana, including but not limited to public libraries, public library districts, libraries operated by public schools or school districts, libraries operated by public colleges or universities, tribal libraries, libraries operated by public agencies for institutionalized persons, and libraries operated by nonprofit, private medical, educational, or research institutions. Funds will be processed equally, 50% of the funds going toward the Mt-OCLC group services contract and 50% of the funds going toward reduction of the ongoing cost of the Montana Shared Catalog,