

State Librarian's Report
Prepared for April 10, 2010 Commission Meeting
By Darlene Staffeldt, State Librarian
Executive Planning Process (EPP) and other budget issues tutorial

The executive planning process, or EPP as it is commonly referred to, is the process the Governor's Office of Budget and Program Planning (OBPP) uses to prepare the Governor's proposed biennium budget. Agencies get between one and seven memos each year to notify us of the process for the EPP for the next biennium. We have received the first memo for the 2013 biennium executive budget and it is the timetable memo. Significant first dates are April 6th when OBPP will transmit the executive planning process instructions for the 2013 biennium executive budget proposals to agencies and May 6th when agencies are to submit EPP requests to OBPP. The process varies somewhat; in years past a written prioritized list could be submitted to the OBPP and then the agency would be invited over to visit with OBPP and the Governor regarding the items on the list. Last biennium we were specifically told not to prepare a written list but we were invited to come to visit about items that might have been on such a list and then we were told what we could officially submit. We of course do not know what will be on the instructions this time around, but due to the short turn around time I do want to share some specific State Library budget thoughts with you.

If the economy was more stable and agencies were free to really share their needs with OBPP, I would hope that the State Library's EPP proposals would include some if not all of the following:

- Present law proposals (which are proposals to expand or enhance projects, services already currently offered):
 1. Expand our communications and marketing coordinator full time equivalent (FTE);
 2. Expand our Natural Heritage Program (NHP) core funding;

3. Restore the state publications librarian position;
 4. Restore the natural resources librarian position;
 5. Restore the readers advisor position;
 6. Provide additional state aid for public libraries perhaps based on a new formula with base grants still based on per capita/per square miles and then graduated grants based on local support;
- New proposals:
 1. Library courier service project;
 2. Talking book library receptionist position;
 3. Geographic Information Service (GIS) portal archive request;
 4. Statewide trainer request;
 5. Montana shared catalog FTE;
 6. Water information system coordinator;
 7. Full state funding for statewide OCLC group services contract;
 8. State funding for audio newspaper services;
 9. Legislation and funding for public library construction grants or loans.
 - One time only proposals:
 1. State publications digitization project;
 2. Training lab replacement;
 3. Pilot statewide local newspapers digitization and access project.

Since the economy is in its current state, ideally it would be nice if the EPP instructions tell us to just maintain our base year budget. The first year of each biennium is usually considered the base year for the beginning budget for the next biennium. From that base budget some inflation for fixed costs as well as any payroll adjustments are added. EPP proposals are then added or not to this base budget based

on the Governor's decisions.

In light of the current economic environment, we may face the possibility that, instead of receiving instructions to put forward requests for new monies or to maintain our current base budget, we may receive EPP instructions that require us to provide recommendations to further reduce our budget. While I hope that this possibility is remote, it is prudent for us to have a discussion about possible scenarios for further reductions. Some of the projects/services that I think we need to seriously consider if we are asked for reductions are:

1. Continued operational cuts such as printing, communications, travel, maintenance contracts;
2. Close stacks/public access computers to the public;
3. Reduction of administrative support for statewide library resources;
4. Reduction in the interlibrary resource sharing monies going to OCLC and MSC;
5. Reduction of NRIS/NHP services.

None of the lists above are presented here in any priority order but are to give us a starting point for discussions.

Please let me know if you have questions at this time. I should have more information and directions for you when we get to our April meeting, if the OBPP instructions come out as expected on April 6th.