

MEMO

To: State Library Commission
From: Karen Strege
Re: Approval for LSTA funds for Federal Fiscal Years 2000 and 2001
Date: December 4, 2000

At its December 1999 meeting, the Commission approved a budget for the expenditure of FY 2000 LSTA funds. We have operated under this budget during the last year. However, internal bookkeeping became confusing as, if you remember, we were also expending FY 99 grant funds during the year. Also adding to the confusion are the multiple fiscal years in which we work.

Therefore, to simplify the bookkeeping and reporting, Darlene, Kris, Sue, and I have agreed to present you with the attached budget. We believe that displaying and appropriating funds in the manner shown will allow us to continue to control the funds, to expend all funds so that none are in danger of reversion, and, by FY 02, to spend federal funds in the year that they are awarded. This last goal is shown in the FY 02 projection provided for illustration only. The Commission will not approve a budget for FY 02 until the end of 2001.

The attached revised FY 00 grant award budget does not change the allocation of funds to the projects that you approved in December 1999. Where you see no funding or zeros, please be assured that these programs have taken place, but were paid for with funds from the FY 99 grant award. Although no "real" changes have taken place in FY 00, we would like your approval for the amended figures.

Looking at the FY 01 proposed budget, you will see a number of zeros in projects that I believe the Commission will want to continue during the year. These projects include funding the librarians in Great Falls and Billings, in addition to MLN's salaries and projects. I am NOT proposing that the Commission eliminate these projects. Instead, I propose that the Commission give us approval to fund these projects with the FY 00 budget. By approving the FY 01 proposed grant budget, you will be approving this funding arrangement. I understand that the Commission wishes to review the LIP award to Lake County in February, I consider the \$50,000 allocation a placeholder, pending your decision.

To complicate these issues even further, because Congress has not yet approved a FY 01 budget, the Institute of Museums and Libraries has not sent an award notice or the funding to MSL. Therefore, we are only projecting an award amount for FY 01. Therefore, you will see an exact award amount in February and we will ask you to make any needed adjustments at that time.

In addition to your approval of an amended FY 00 and the proposed FY 01 budget for LSTA grant funds, I suggest that you direct the State Library to allocate the balances shown in these years to fund additional shared catalog projects.

I hope these proposals are clear. I would be happy to answer any questions before or at the Commission meeting.