

Montana State Library Commission
Minutes for October 29, 2002 Teleconference Call
Helena, MT

Attendees:

Commissioners

(Via phone): Ralph Atchley, Rosie Garvey, David Johnson, Bruce Morton, Al Randall and Gail Staffanson

Commissioner

Absent: Linda McCulloch

Staff:

Karen Strege, Kris Schmitz, Jim Hill, Darlene Staffeldt, Barbara Duke, Christie Briggs, Bob Cooper, Sarah McHugh and Bruce Newell

Introductions

Rosemary Garvey called the meeting to order at 09:00.

Budget Cuts

Karen Strege reported that the State Library was given notice last week that the Governor's budget office was cutting the amount of coal severance tax revenue the Library receives by \$151,000 per year starting in FY04. This is in addition to the cuts already made in the general fund that were discussed at the October regular commission meeting. The Library uses the coal tax money in three ways: to support federations, for the periodical index, which is currently an InfoTrac product and for materials and memberships at the State Library. The cuts need to be made in these areas. The State Library's recommendation is to eliminate federation funding of \$97,200 and reduce the materials and membership budget by \$53,800. Strege and the program managers feel the database project is too valuable to be in jeopardy. The impact on federations will be severe. The cuts will impact programs such as the OCLC contract, but it should not impact the local match for the database if that match is left at a reasonable level.

Garvey asked whether it was possible to recover any of the funds when the legislature meets. Strege answered that that may be a possibility, but it's difficult to say. The Governor's office will receive revenue projections on November 6 and on November 15 they are required to release the executive budget for FY04/05, so more will be known at that time. The coal severance tax cuts will require that a bill be introduced in the legislature, and the Library can oppose that bill as it opposed HB10 in the special session.

Randall asked whether the proposed merger of NRIS and LISD was approved by the Governor's budget office. Strege explained that the budget office is building the Library's budget for FY04/05 given that the merger will take, so that is approval of the merger.

Johnson asked if there would still be some general fund money allocated to federations if the Commission approves this recommendation. Strege explained that \$82,000 would be allocated to the federations, which is \$1,000 per public library. The federations decide how to appropriate that money in their plans of service. Due to the cuts, federations will have to operate in a limited way. This will change the face of federations for at least two years. The recourse is to oppose the bill when it is introduced. Strege will talk to the Library's lobbyist about a strategy. Strege assumes that the Montana Library Association will also take a strong stand opposing the

bill. Strege added that it is entirely possible that more cuts may be required in the general fund, so the Commission may elect to cut the remaining \$82,000 of federation funding if that happens. Johnson asked whether a specific statute mandates that the State Library provide funding for federations. Strege explained that it says if any state money is appropriated for federations, it is to be allocated to them, so if no state money is appropriated there is nothing to give away.

Garvey asked whether other agencies' budgets are being cut as much as the State Library's. Strege said that although agencies are not allowed to see each other's reductions at this point, rumors are that other agencies are being hit as hard as or harder than we are. MSL is not being singled out in any way.

Garvey said that she hated to see the federations being cut so much because federation money really helps some of the smaller libraries. Strege commented that state aid was never intended to be the primary source of funding for libraries. Strege said this is a terrible cut to federation services and she wishes she could suggest something different, but all choices will have a severe impact on local library services.

NRIS/ITSD Discussions

Jim Hill, Duane Anderson and Strege met with Brian Wolfe, the state's CIO, Tony Herbert, the state's deputy CIO and Stu Kirkpatrick, the state's GIS Coordinator at a facilitated meeting to discuss the roles of NRIS and ITSD. At the meeting, the parties agreed on several issues, one of which was that neither party would talk to the Governor's budget office about GIS without the other party being present. Last Thursday, Wolfe, Herbert, Scott Darkenwald, the Director of Administration, and Steve Bender, the Assistant Director of Administration met with the budget office to propose a merger of the NRIS program within ITSD. The State Library was not given any advance notice of the meeting, was not asked to participate, and did not know that it was occurring. At the meeting, Chuck Swysgood, the Director of the Budget Office, said the issue sounded like a turf war and he did not approve ITSD's proposal. The Library's budget analyst, Mark Bruno, was at the meeting and informed Library staff after the fact that it had taken place. A facilitated meeting was scheduled for yesterday afternoon, but Strege cancelled the meeting. Strege also talked with the facilitator, John Munding, and explained to him what had taken place and how the agreement had been violated in the most egregious fashion. Brian Wolfe called Strege and apologized for his actions, and although she accepted his apology, she explained to him that trust would need to be rebuilt between MSL and ITSD. Any subsequent action by him or his department will need to be carefully scrutinized for veracity and integrity. Strege believes the issue is closed and that the Governor's office is not considering the proposal by ITSD. However, the Governor's office wants MSL and ITSD to develop a memorandum of understanding (MOU) that clearly differentiates the roles and responsibilities of each agency. The agencies are now participating in a one-text negotiation process in which the facilitator combines first drafts of each agency's MOU, and attempts to address where there are disagreements. No additional meetings are scheduled at this point. This has been a difficult situation for the staff at the Library, and it has soured MSL's relationship with people at ITSD who are necessary to work with to get the proposed Digital Library Center up and running. No commission action is necessary at this time, but official action may be needed at a later date.

Hill added that the Power Point presentation that ITSD made to the Governor's office was powerful and damaging and contained a lot of information that NRIS would have refuted if they had had the opportunity to do so. Hill feels the only reason for proceeding with these discussions and arrive at an MOU is if ITSD's actions and deeds are in accordance with the

MOU, but he has no reason to believe that that is going to be the case. NRIS is still in a pretty precarious situation. If the MOU is adopted and ITSD continues with these types of activities and doesn't support the program then nothing will have been gained by the process. It is important that what is laid out in the MOU is followed by both agencies.

The Commission decides to send a letter to the Department of Administration stating their displeasure with ITSD's actions.

Morton said he had looked at ITSD's website and their goals and objectives include providing statewide GIS coordination services and managing the GIS cadastral project. He questioned why a centralized service agency such as ITSD whose mission it is to support the missions and goals of state agencies, is trying to usurp the duties of a particular agency. Hill said he had asked ITSD that very question and he has not yet gotten a response.

Action Items

Johnson moved to adopt the recommended budget cuts. Morton seconded the motion and it passed unanimously.

Garvey stated that the Commission took this action with regret. Strege said she would make those points to the library community when she informed them of the Commission's decision.

The meeting adjourned at 9:45.