



PO Box 201800 1515 East 6<sup>th</sup> Avenue Helena, MT 59620 (406) 444-3115

# Memo

**To:** Montana State Library Network Advisory Council

**From:** Jennie Stapp, State Librarian

**From:** Sarah McHugh, Director,  
Statewide Library Resources

**Date:** June 24, 2014

**Re:** Necessary reduction in statewide databases funding

Coal severance tax (CST) monies support the following MSL programs:

- The statewide suite of EBSCO databases and Tutor online services;
- support for the six library federations;
- and the MSL state publications digitization project.

Due to a reduction in coal production, available CST monies have dramatically declined during this biennium creating a significant shortfall from originally projected levels. To meet the shortfall, we have been informed by the Governor's Office of Budget and Program Planning that we must reduce our FY 15 CST-funded expenditures by 25% or \$137,000.

Because FY 15 federations' plans of service have already been approved by the State Library Commission and libraries have already planned their FY 15 budget to include federation grants, MSL managers have decided to exclude federation support from the necessary cuts in FY 15. Funding for the digitization project and the statewide databases/online services suite will be reduced proportionally based on the remaining percentage of the overall CST funding each receives. Therefore, we must reduce the funding for the EBSCO and Tutor contracts in the amount of \$115,991. The FY 15 total cost for these contracts is \$329,277.

The Tutor contract, in the FY 2014 amount of \$80,017 that includes a one-time addition of 1,000 more live tutoring sessions, represents approximately 60% of the total amount we need to cut. Given the fact that the nature of the service's focus and use is substantially targeted at school libraries rather than public libraries, we propose that we cancel this service effective September 1, 2014. We have reached out to the Office of Public Instruction to give that agency the opportunity to determine whether or not it wishes to fund the Tutor contract. Detailed statistics for this subscription have been shared with OPI and with the NAC, through the attached spreadsheets provided by Tutor.

Eliminating the Tutor contract leaves a balance of \$35,974 to reduce from the EBSCO database suite. We ask that the NAC assist us in determining ways to meet this reduction in this contract.