

Memo

To: Montana State Library Commission

From: Tracy Cook, Director
Statewide Library Resources

From: Jennie Stapp, State Librarian

Date: May 4, 2018

Re: Recommendations for Fiscal Year '17 Library Services Technology Act (LSTA) remaining funds

As discussed during the Commission's April meeting, we have approximately \$90,000 in unallocated FY '17 LSTA funding available due to vacancy savings. The amount is more than normal and must be spent by September 30, 2018. The budget you have been presented is an estimate. We have a few things like a summer intern, temporary help for the Talking Book Library, and the re-classification of the Information Specialist position that may change how much unallocated funding we have available. This is funding that is unlikely to be available next year, so it should not be used to start new projects.

Staff recommends that we use the unallocated LSTA funds to reduce the OCLC bill for libraries. Since April, we have discussed the following three options with Montana librarians:

1. Apply the unallocated funds to the public libraries' portion of the OCLC contract which gives them a significant discount on next year's bill. This option closely aligns with the intent to help public libraries given the loss of state aid this biennium. It helps them plan accordingly, and it helps with cash flow. It also significantly reduces their OCLC bill. It does not benefit all libraries.
2. Apply the unallocated funds to the entire OCLC contract which benefits all types of libraries. This is a nice gesture as all libraries are struggling and is in keeping with the state's all for one, one for all approach to resource sharing, however it gives very little to the smallest public libraries. It also does not honor the intent of the original CST vote.

3. Apply the unallocated funds in more traditional ways including paying for the State Library's first three months of OCLC, Overdrive, SirsiDynix, and perhaps purchasing replacement equipment. This option keeps with tradition for how remaining LSTA funds have been spent. It does not significantly reduce any library's OCLC bill but it would help with cash flow since less FY'19 CST money would be required to pay OCLC.

The Network Advisory Council will meet the morning of May 8 and will make a formal recommendation to the Commission about how best to allocate the funds.