



MEMO

To: Federation Task Force Members
From: Tracy Cook, Lead Consulting & Learning Librarian
Subject: Funding questions to consider
Date: December 30, 2022

During our first meeting we ended with several questions about potential funding changes to the structure of federations. As you think about the role you identified for federations, consider the following questions and information.

1. Should we recommend funding for annual retreats? Two federations offer an annual retreat with opportunities for continuing education and networking. Would this be of value to other federations?
 - a. How much does a retreat cost? What is covered?
 - i. Anywhere between \$3000 and \$5,000
 - ii. Hotel rooms, presenter fees, food, coffee/tea
 - b. Why do members consider retreats valuable?
 - i. They give area librarians and board members ample time to connect with one another to share ideas and problem solve. They help build relationships.
 - ii. They provide opportunities for continuing education that is relevant to the region's libraries. They help library directors and board members obtain certification.
 - c. What are the limitations of retreats? Why do others not have retreats?
 - i. They cost more and reduce the amount of money that goes directly to individual libraries.
 - ii. They take time – both to arrange and to attend. Some librarians cannot afford to be away from their library. Some board members cannot afford to be away from their jobs.
 - iii. There are other places to obtain continuing education.
2. Should we consider asking federations to consider an equitable split of money or continue with dividing the money equally between libraries?
 - a. Consider what equitable means to you – does it mean giving more to larger libraries? Does it mean dividing the money evenly as a percentage of a library's overall budget? Does it mean giving funding to libraries that are in need?
 - b. Most federations subtract administrative costs of running the federation from the total amount awarded to the federation. These costs include money for

- meetings/retreats, stipends for coordinators, and any projects that benefit the federation. Once those funds are subtracted from the total, the remaining money is divided evenly between the eligible public libraries in the federation.
- c. One federation – Sagebrush – has given slightly more funding to the two federation libraries that had the smallest budgets. Should we recommend other federations consider a similar approach? Why or why not?
 - d. Should we recommend something different – perhaps considering percentages rather than dividing evenly?
3. One federation asked about money used to pay for statewide projects. They asked about having the state library retain federation funds that were used for statewide projects like the Montana Shared Catalog or MontanaLibrary2Go/Overdrive. Should we recommend the State Library do this? Or should we continue to send the funds directly to the libraries?
- a. The federation dashboards show how federation funds are spent - https://msl.mt.gov/about/publications/federation_reports/. Click on MSL statewide projects and/or the federation to see the breakdown.
 - i. Over the past three years about 40% of federation funds are used to pay for statewide projects. Sagebrush spends over 70% of their funds on statewide services. Golden Plains (~13%) and Pathfinder (~16%) spend the smallest percentage of funds on statewide services.
 - b. Why might it be advantageous for the state library to take those funds off the top to pay for statewide projects for the libraries?
 - i. It avoids the situation where the State Library cuts a check to the library and then the library turns right around and sends the money back to the state library in the form of a new check used to pay for whichever state library service they want.
 - ii. It might be more efficient to pay for the services at the state level.
 - c. What are the cons of doing something like this?
 - i. Some libraries don't use their federation funds for statewide services. They need the funds for other purchases.
 - ii. It would increase the up-front work of the state library and federation coordinators. Library directors would have to declare they want their federation funds to pay for statewide services. The State Library would have to track that through the plan of service and would then create a process for managing the paperwork to make sure that the right libraries were credited, and all libraries received the correct amounts in their checks (if they received a check).
 - iii. Library directors lose some flexibility. By receiving the check, they can use the money however they need.
 - d. What else should we consider?



- i. The Montana Library Association will ask the legislature to consider a funding bill that would cover the costs of these statewide services. Libraries might not need federation funds to pay for things like the Montana Shared Catalog.
4. Given the role of federations and unmet needs, do you have any other recommendations for funding for federations? What are they? Why do you recommend that?
 - a. Consider the ideas from federation members about more funding to purchase digital resources like Hoopla or help with IT support for libraries.