

Oregon State Library Governor's Balanced Budget House Bill 5022 - Phase II

A Presentation to the General
Government Subcommittee of the
Ways and Means Committee
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May 1, 2013

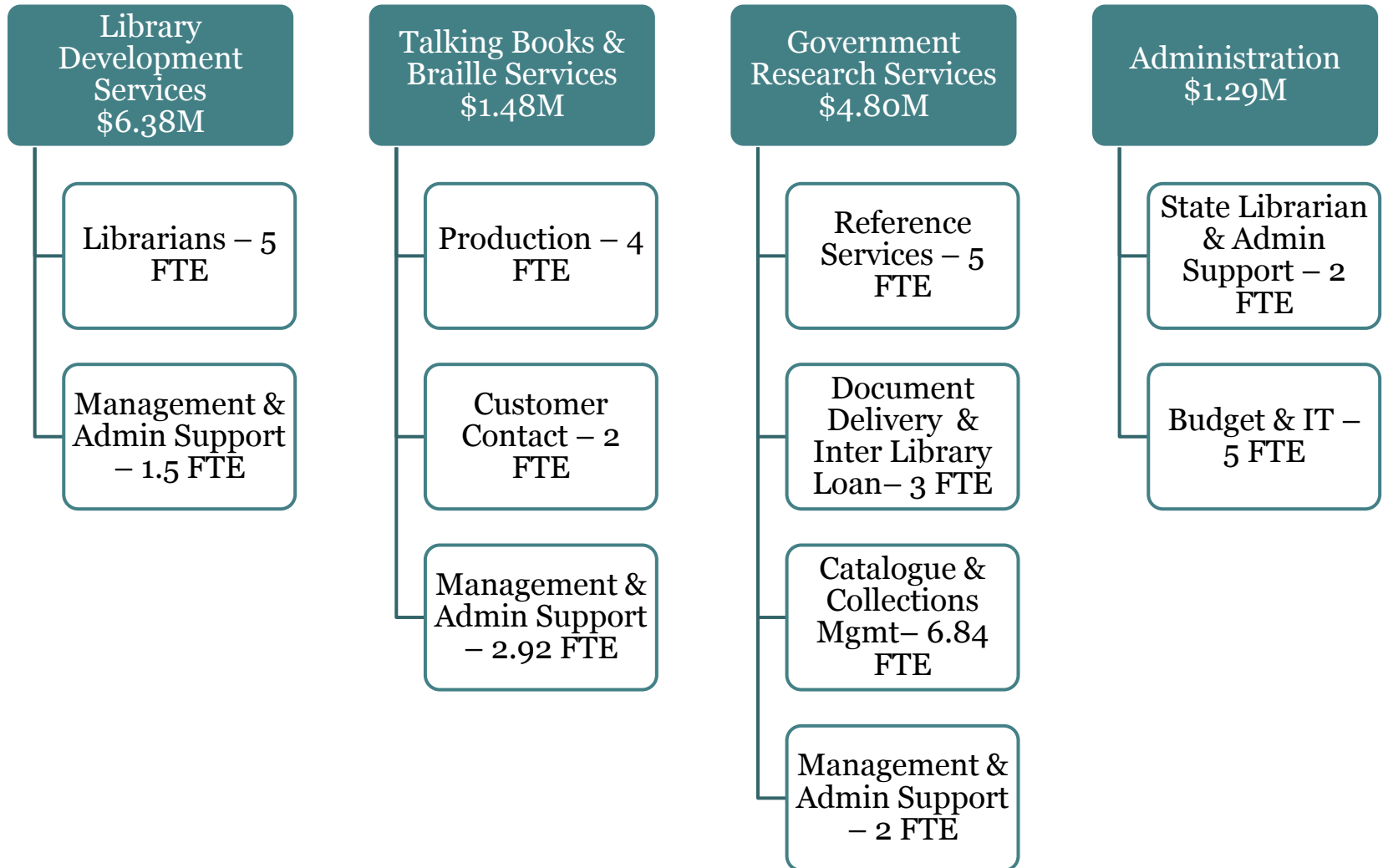


Oregon
State
Library

Agenda

- Overview of GBB for State Library
- Transformation Project Work to Date
- Transformation Project Go Forward Approach & Timeline
- Federal Maintenance of Effort Requirements
- GBB Policy Packages
- Agency Reports

2011-2013 State Library Organization



Governor's Balanced Budget Includes:

**One year
of budget
authority**

**Allocation of the
second year funding
is contingent upon the State
Library meeting following goals:**

1) Eliminate
Government
Research
Services in
current form.

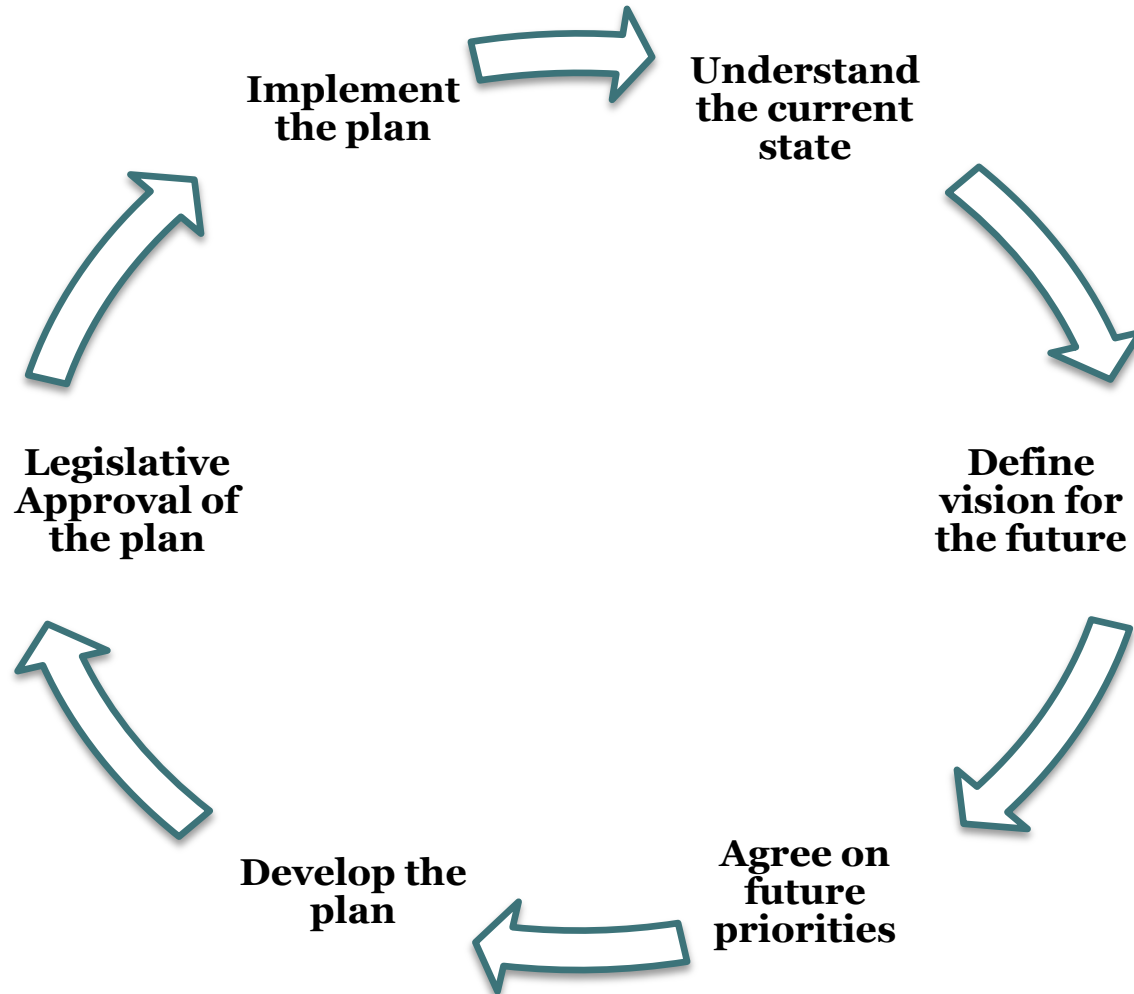
2) Consolidate
documents
repository and
reference
services with
the State
Archives.

3) Reduce
costs for other
programs by
implementing
improvements
from the 2011
Workgroup.

Why Does the Governor Call for Transformation of the State Library?

- We need to evaluate our business model and make sure we are meeting the needs of our customers.
- We need to ensure that we are delivering the highest value services with the limited resources available.
- We need to ensure that funding streams are appropriate for services being funded and services add value for agencies being assessed.
- We need to stop talking about making changes called for in previous efforts and start actually implementing the changes necessary for transformation.

Strategic Business Planning Supports Transformation



What has happened so far?

Understanding the Current State

- Compiled list of all services provided by three OSL teams
 - Who are the customers & number served
 - Mandate for service (Federal Law, State Law, Admin. Rule)
 - Current staffing level for service
- COO's office facilitated 5 employee focus groups with 29 staff (74%) participating to generate ideas
- OSL staff conducted surveys of key stakeholders on use and perceived value of current services

Proposed Vision for Future

Connect Oregonians to library services by providing leadership, grants and other support to public, school, academic, and tribal libraries.

Connect print-disabled Oregonians to reading materials and other information to improve their quality of life.

Connect Oregon state government to quality information to support informed decision-making on behalf of all Oregonians.

Where do we go from here?

Project Approach:

Evaluate current services against priorities



Consider staff improvement ideas



Identify & analyze service delivery alternatives



Develop implementation plan, draft proposed bill of changes, & seek Legislative approval

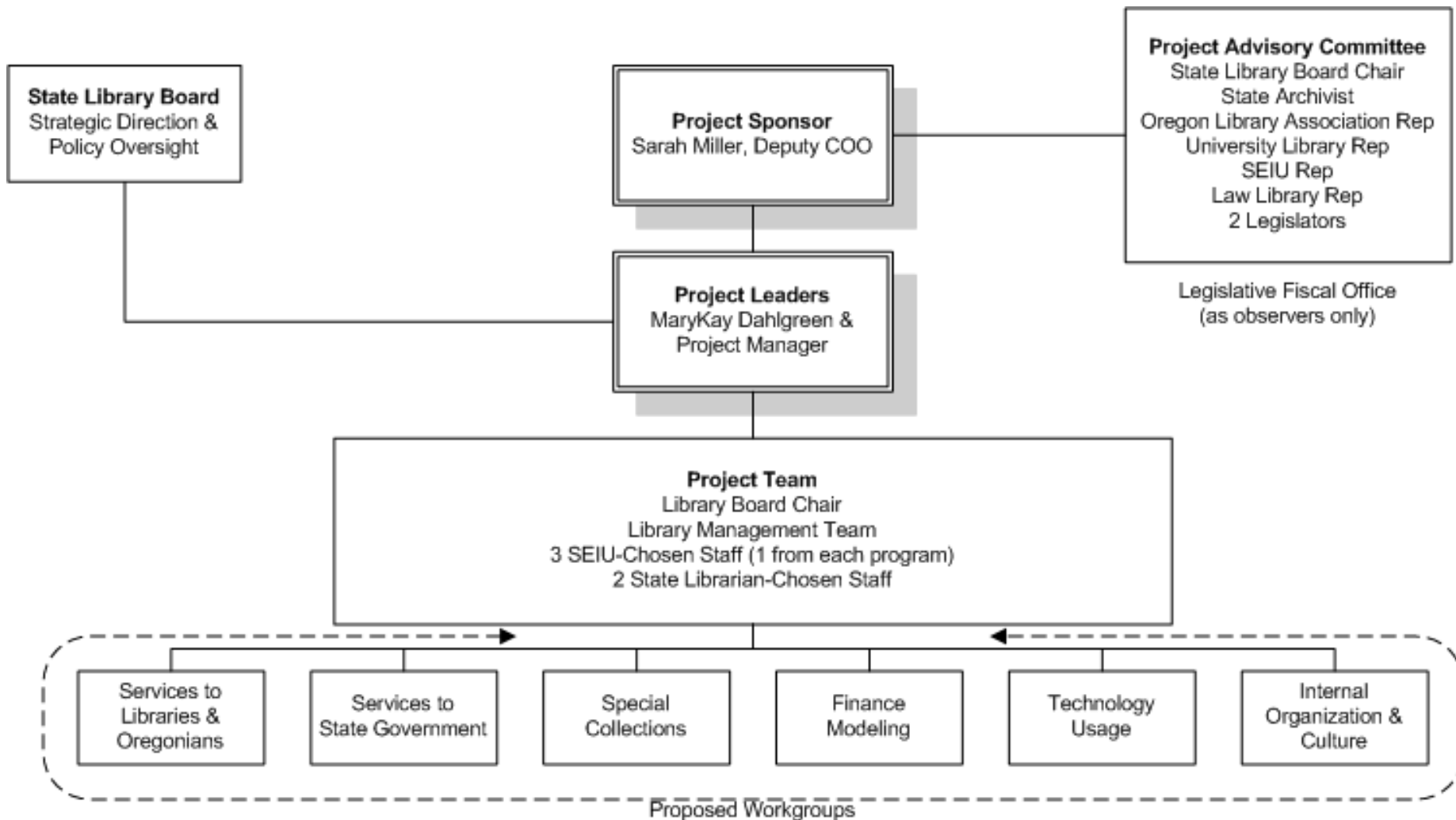


Implement recommendations & communicate continuously with staff

Project Core Principles:

- There will be a state library in the future, but service delivery may look different.
- New service delivery models may mean some long-standing services will no longer be offered, and existing services may change.
- New service delivery models will be more efficiently administered and add more value to the intended recipients.
- Employees and key stakeholders will be engaged and consulted throughout the process.
- We will be accountable to our actions by demonstrating concrete progress against our plan.

Proposed Project Governance



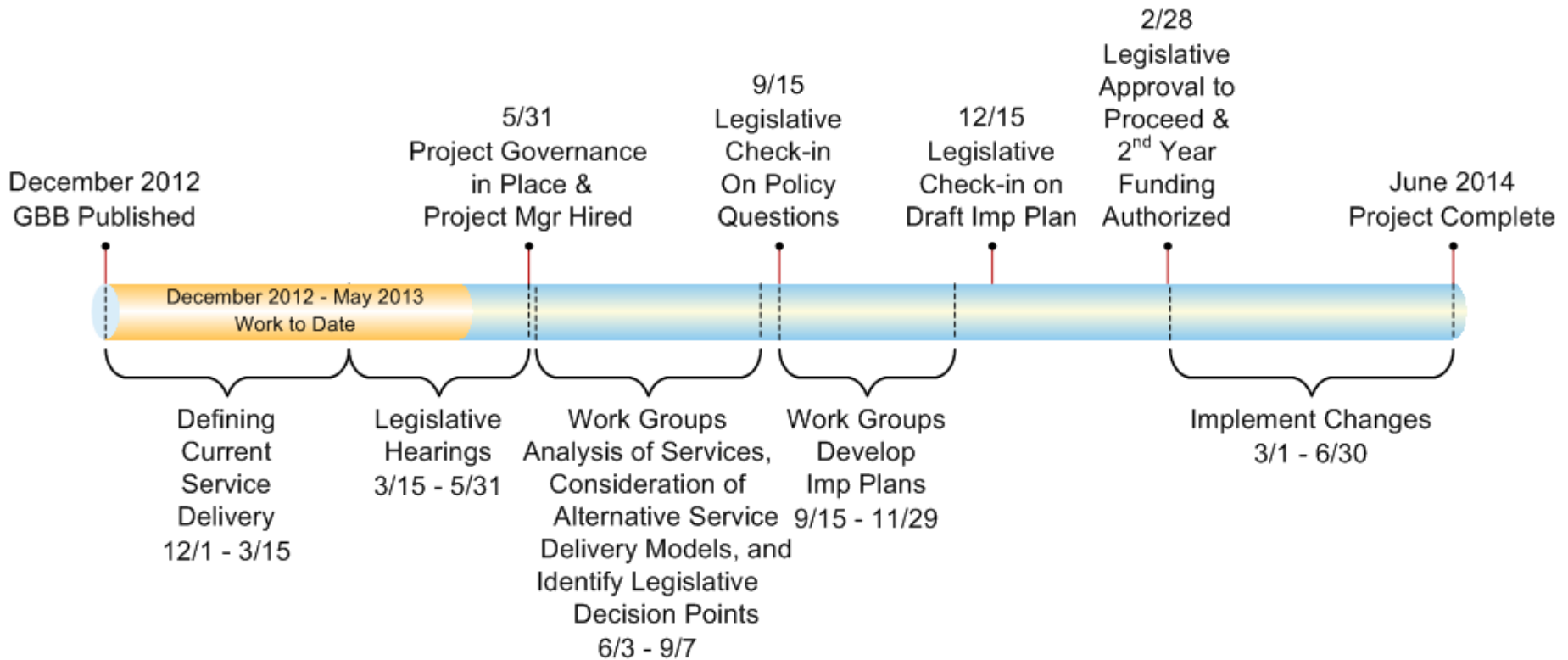
Project Workgroups Focus:

- Services to Libraries & Oregonians – determine what services should continue to be offered and how
- Services to State Government – determine what services should continue to be offered and how
- Materials Collections – determine what collections should be kept and how to fund them

Project Workgroups Focus:

- Technology Usage – readying agency technology to support changes in service delivery
- Finance Modeling – how to fund and finance the state library based on proposed changes
- Internal Organization & Culture – readying the workforce to support the proposed changes

Proposed Project Timeline



Federal Maintenance of Effort

What is Maintenance of Effort?

- MOE requires the State Library to:
 - Not replace existing state funds with federal grant dollars
 - Spend the state dollars for the same purposes as allowed by the federal grant dollars
- We use state money that supports Talking Books & Braille Services and Ready to Read programs to meet our MOE requirement.

History for OSL Federal Maintenance of Effort (MOE)

Federal Fiscal Year	Federal Grant Award Amount	MOE Requirement (Avg. of 3 previous yrs.)	MOE Reported
2008	\$2,153,972	\$1,322,853	\$1,417,138
2009	\$2,341,066	\$1,383,370	\$1,525,236
2010	\$2,395,642	\$1,341,580	\$1,364,090
2011	\$2,213,648	\$1,367,391	\$1,466,752
2012 projected	\$2,164,574	\$1,304,311	\$1,416,866 est.
2013 projected	\$2,080,092	\$1,337,760	\$1,631,010 est.

GBB Policy Packages

Ready to Read Grant Overview

- Existing program connects Oregon's libraries to schools and communities to help children be ready to read.
- These grants are the only state General Fund program that directly supports Oregon's public libraries
- The current funding for the program is equivalent to \$0.80 per child.
- In 2012, each \$1 of state funds leveraged \$1.44 in local funds.

Ready to Read Program Expansion

- Pkg 102 - Expands the “Ready to Read” grant program to include 15-17 year old children.
- Aligns the program with the Governor’s 40/40/20 initiative.
- Makes the State Library a partner with the Department of Education to increase reading outcomes for high school students.
- \$228,708 General Fund

Other Packages

- Pkg 070 – Implements changes in limitation based on reduced revenue
- Pkg 081 – Implements changes from May 2012 Emergency Board
- Pkg 090 – Holds second year of funding for State Library in Special Appropriation
- Pkg 091 – Implements across the board reductions
- Pkg 092 & 093 – Implement proposed changes to PERS calculations

Agency Reports

Agency Budget Reduction Options

1. Reduce “Ready to Read” Program by 26% - \$320,160 GF
2. Reduce Demonstration & Cooperation grants to local libraries by 33% - \$492,031 FF
3. Reduce Information Resources for State Agencies by 3 positions and S&S - \$643,294 OF
4. Reduce recordings for Talking Books & Braille Services by not spending donations - \$39,141 OF

Agency Vacancy Report

- 2 total positions vacant
 - Positions eliminated by May 2012 Emergency Board action.
 - Positions will be removed from budget when 2013-2015 LAB is approved.

Closing Thoughts...

“Becoming a 21st Century Library”