

SB 5518 BUDGET REPORT and MEASURE SUMMARY

Joint Committee On Ways and Means

Prepared By: Lisa Pearson, Department of Administrative Services

Reviewed By: Theresa McHugh, Legislative Fiscal Office

**State Library
2019-21**

PRELIMINARY

Budget Summary*

	2017-19 Legislatively Approved Budget ⁽¹⁾	2019-21 Current Service Level	2019-21 Committee Recommendation	Committee Change from 2017-19 Leg. Approved	
				\$ Change	% Change
General Fund	\$ 4,060,172	\$ 4,202,817	\$ 4,202,817	\$ 142,645	3.5%
Other Funds Limited	\$ 6,842,189	\$ 7,042,377	\$ 7,042,377	\$ 200,188	2.9%
Federal Funds Limited	\$ 5,309,791	\$ 5,504,648	\$ 5,225,997	\$ (83,794)	-1.6%
Total	\$ 16,212,152	\$ 16,749,842	\$ 16,471,191	\$ 259,039	1.6%

Position Summary

Authorized Positions	42	41	41	-1
Full-time Equivalent (FTE) positions	40.04	39.04	39.04	-1.00

⁽¹⁾ Includes adjustments through December 2018

* Excludes Capital Construction expenditures

Summary of Revenue Changes

The State Library is funded with a combination of General Fund, Other Funds and Federal Funds.

Federal Funds provide grants to libraries throughout Oregon, as well as support services to those libraries. The agency receives \$5.3 million Federal Funds from the Institute of Museum and Library Services under the Library Services and Technology Act (LSTA) per a population-based formula. The LSTA grant requires a 34 percent match rate as well as a maintenance of effort requirement based on the average of the last three years of non-Federal library expenditures relevant to the priorities of LSTA.

The General Fund is used primarily to support the Talking Books and Braille Library program and Ready-to-Read grants to provide summer reading and other programs for children at libraries throughout Oregon. It is also for matching Federal Funds and maintenance of effort requirements.

The largest source of revenue for the agency comes from assessments paid by other state agencies. The assessment is based two-thirds on the number of state agency full-time equivalent positions and one-third on the use of the State Library by agencies during the prior biennium. The projected state agency assessment revenue is \$7.1 million. This Other Funds revenue supports the Government Research Services section, as well as a portion of agency administration.

Summary of General Government Subcommittee Action

The mission of the Oregon State Library is to provide information services to state agencies; provide library services to blind and print-disabled Oregonians; and provide leadership, grants, and other assistance to improve public libraries throughout Oregon.

The Subcommittee approved a 2019-21 biennial budget of \$16,471,191 total funds, which includes \$4,202,817 General Fund, \$7,042,377 Other Funds expenditure limitation, and \$5,225,997 Federal Funds expenditure limitation and includes 41 positions (39.04 FTE). The total funds budget is a 1.6 percent increase from the 2017-19 Legislatively Approved Budget and a 2.5 percent increase from the 2019-21 biennium adjusted current service level. The recommended budget fully provides for continuation of programs and services supported by General Fund and Other Funds included in the 2017-19 budget. The recommended budget also provides as much support as possible for programs supported by Federal Funds based on current revenue projections of the availability of such funds.

Administration Program

The Administration Program coordinates the mission and goals of the agency and manages the finance, personnel, and volunteer functions of the agency. For this program, the Subcommittee approved a 2019-21 budget of \$2,175,505 total funds, including \$130,329 General Fund, \$1,877,547 Other Funds expenditure limitation, and \$167,629 Federal Funds expenditure limitation and seven positions (6.68 FTE).

The Subcommittee approved Package 070 Revenue Shortfalls, which reduces expenditure limitation to balance with projected federal revenues from the Institute for Museum and Library Services for the 2019-21 biennium.

Library Development Program

The Library Development Program is responsible for assisting approximately 1,700 local, academic, school, and tribal libraries and improving the overall quality of library services in Oregon through the distribution of federal Library Services and Technology Act and state General Fund (Ready to Read) grants. This includes facilitating school and local library access to a variety of electronic databases; consulting and disseminating of information on youth services; compiling of library statistics; and documenting challenges to library materials. For this program, the Subcommittee approved a 2019-21 budget of \$7,582,606 total funds, including \$2,375,453 General Fund, \$148,785 Other Funds expenditure limitation, \$5,058,368 Federal Funds expenditure limitation and eight positions (7.50 FTE).

The Subcommittee approved Package 070 Revenue Shortfalls, which reduces expenditure limitation to balance with estimated federal revenues from the Institute for Museum and Library Services for the 2019-21 biennium.

Package 090, Analyst Adjustments was also approved. This package adds \$0.4 million Federal Funds expenditure limitation to offset the \$0.7 million Federal Funds expenditure limitation decrease in package 070, resulting in a net overall decrease of \$0.3 million Federal Funds. Package 070 was developed prior to congressional budget action in the Fall of 2018, so this package updates projections of revenue expected from the federal government.

Talking Book and Braille Services Program

In cooperation with the Library of Congress, which provides books, book players, and postage at no cost to Oregon, the Talking Book and Braille Library program provides reading materials in audio-recorded or Braille formats to individuals with limited vision or other disabilities preventing the use of books and printed materials. The State Library is responsible for maintaining the inventory of materials and distribution. For this program, the Subcommittee approved a 2019-21 budget of \$2,023,322 total funds, including \$1,697,035 General Fund and \$326,287 Other Funds expenditure limitation and eight positions (8.24 FTE). The Subcommittee also adopted the following budget note.

Budget Note:

The State Library should evaluate ways to better meet the needs of visually impaired Oregonians through the use of technology, especially in the Talking Book and Braille Library program and report findings as part of the agency's 2021-23 budget presentation to the Joint Committee on Ways and Means. It is expected that the agency will consult with partners, including the Commission for the Blind and the Oregon Textbook and Media Center (part of the Willamette Education Service District but serving all Oregon Regional Programs and other agencies) on the needs of the customers of those agencies and on opportunities to better partner and leverage resources. In addition, since the federal government supplies the materials for the Talking Book and Braille Library program, the State Library should confer with the Library of Congress National Library Service on opportunities to receive materials or access federal funds to meet current technology needs or to adopt new technologies as they become available.

Government Research and Electronic Service Program

Government Research and Electronic Services provides research assistance to state government and develops and maintains the State Library collection, online information services, and the Oregon.gov search engine. In addition, the general public can obtain special information concerning state government publications and Oregon history from this program. The Subcommittee approved a 2019-21 budget of \$4,689,758 Other Funds and 18 positions (16.62 FTE) for the Government Research and Electronic Service program; Other Funds is the only revenue source for the program.

Summary of Performance Measure Action

See attached "Legislatively Approved 2019-2021 Key Performance Measures."

DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION

State Library
Lisa Pearson -- 503-373-7501

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
2017-19 Legislatively Approved Budget at Dec 2018 *	\$ 4,060,172	\$ -	\$ 6,842,189	\$ -	\$ 5,309,791	\$ -	16,212,152	42	40.04
2019-21 Current Service Level (CSL)*	\$ 4,202,817	\$ -	\$ 7,042,377	\$ -	\$ 5,504,648	\$ -	16,749,842	41	39.04
SUBCOMMITTEE ADJUSTMENTS (from CSL)									
SCR 001- Operations									
Package 070: Revenue Shortfalls									
Services and Supplies	\$ -	\$ -	\$ -	\$ -	\$ (19,125)	\$ -	(19,125)		
SCR 002 - Library Support and Development Services									
Package 070: Revenue Shortfalls									
Special Payments (Other Special Payments)	\$ -	\$ -	\$ -	\$ -	\$ (662,892)	\$ -	(662,892)		
Package 090: Analyst Adjustments									
Special Payments (Other Special Payments)	\$ -	\$ -	\$ -	\$ -	\$ 403,366	\$ -	403,366		
TOTAL ADJUSTMENTS	\$ -	\$ -	\$ -	\$ -	\$ (278,651)	\$ -	(278,651)	0	0.00
SUBCOMMITTEE RECOMMENDATION *	\$ 4,202,817	\$ -	\$ 7,042,377	\$ -	\$ 5,225,997	\$ -	16,471,191	41	39.04
% Change from 2017-19 Leg Approved Budget	3.5%	0.0%	2.9%	0.0%	-1.6%	0.0%	1.6%	-2.4%	-2.5%
% Change from 2019-21 Current Service Level	0.0%	0.0%	0.0%	0.0%	-5.1%	0.0%	-1.7%	0.0%	0.0%

*Excludes Capital Construction Expenditures

PRELIMINARY

Legislatively Approved 2019 - 2021 Key Performance Measures

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Agency: Library, Oregon State

Mission Statement:

The State Library provides leadership and resources to continue growing vibrant library services for Oregonians with print disabilities, the Legislature and state government, and all Oregonians through local libraries.

Legislatively Approved KPMs	Metrics	Agency Request	Last Reported Result	Target 2020	Target 2021
1. RESEARCH TRANSACTIONS - Number of research assistance transactions for state employees.		Approved	10,037	10,000	10,000
2. USE OF GOVERNMENT SERVICES ELECTRONIC RESOURCES - Average [daily] use of Government Information and Library Services electronic resources.		Approved	998	1,055	1,115
3. TALKING BOOK AND BRAILLE SERVICES USERS - Number of individuals registered to receive Talking Book and Braille Services.		Approved	5,304	5,400	5,400
4. COST PER CIRCULATION - Cost per circulation of talking books and Braille books.		Approved	\$2.12	\$2.00	\$2.00
5. USE OF THE OREGON SCHOOL LIBRARY INFORMATION SYSTEM - Average daily visits to the Library-funded Oregon School Library Information System.		Approved	2,193	2,500	2,500
6. PUBLIC LIBRARIES MEETING APPLICABLE OLA STANDARDS - Percentage of Oregon public libraries meeting essential and enhanced level of applicable Oregon Library Association Standards for a Public Library.		Approved	53%	60%	62%
7. CUSTOMER SATISFACTION - Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent": overall, timeliness, accuracy, helpfulness, expertise, availability of information.	Availability of Information	Approved	94%	98%	98%
	Expertise		97%	98%	98%
	Helpfulness		97%	98%	98%
	Timeliness		97%	98%	98%
	Overall		97%	98%	98%
	Accuracy		95%	98%	98%
14. BEST PRACTICES - Percent of total best practices met by the Board.		Proposed Delete	100%	100%	100%

LFO Recommendation:

The Legislative Fiscal office recommends approval of the proposed Key Performance Measures and targets with the instruction that the agency continue to review appropriate outcome measures for services provided by Government Information and Library Services and Talking Book and Braille Library programs. It is appropriate to delete the KPM related to Best Practices as the Governor, rather than the Board, appoints the State Librarian.

SubCommittee Action:

The Subcommittee approved the LFO recommendation.