



To: Senate Appropriations Committee
 From: Martha Reid, State Librarian
 Date: February 11, 2015

Subject: FY2016 Budget

FY 2015 As Passed Libraries GF	\$2,746,649
*August Rescission (Base and ISF)	(\$125,131)
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FY 2015 Post Rescission	\$2,621,518
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**FY 2016 GF need for Salary Increases	\$131,423
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FY 2016 Total Before Reduction	\$2,752,941
FY 2016 Total Before Reduction	\$2,752,941
FY 2016 GF Budget Cut	(\$500,000)
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FY 2016 Target before Internal Service Funds	\$2,252,941
FY 2016 Target before Internal Service Funds	\$2,252,941
FY 2016 Funds for ISF Needs	\$22,741
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FY 2016 Target	\$2,275,682

Difference between FY 15 As Passed and FY 16 Target (\$470,967)
**Absorbed by vacancy savings*

I. Priorities for budget reductions:

1. Take cuts where there is little or no federal funding impact. Retain as much federal funding as possible. Goal: Meet required MOE and retain 100% of government spending.
2. Budget decisions will align with Department restructuring and revitalized focus (to be determined with the help of a Library Consultant.)

II. Priority Programs/Initiatives at Department of Libraries:

(Note: the following areas are aligned with the purposes of the federal LSTA “Grants to States” program.)

1. Statewide resource sharing / replacement of the aged VT Automated Library System (VALS) – statewide electronic interlibrary loan network
2. Vermont Early Literacy Initiative (VELI) in 50 public libraries (partnership with VT Center for the Book)
3. Statewide Summer Reading Program for children
4. Professional development/continuing education program for public library employees.

5. Public Library Development (consulting; tech consulting; implementation of national library initiatives; library funding and governance)
6. Data collection and reporting of program impact
7. Library for the Blind and Physically Handicapped
8. *Vermont Online Library* and statewide digital content for citizen/student access
9. Wide Area Network for 42 VT FiberConnect Libraries with focus on expanded broadband for VT libraries and delivery of content to libraries via networks
10. Digital Literacy program in libraries to help citizens get the computer.tech skills they need.
11. Partnerships with government/non-profits in the areas of workforce development, economic development, digital literacy, broadband expansion, online/digital content, early learning and educational networks).

In addition, we are looking at the operations of the Vermont State Library and exploring options for maintaining the collection of Vermont State Documents (both print and digital) and the Vermont historical newspaper archive on microfilm. There may be opportunities for cost savings and efficiencies.

III. Challenge: Meeting Federal MOE Requirements

Our annual allotment of federal LSTA (Library Services and Technology Act) “Grants to States” funds requires: (1) Maintenance of Effort (MOE) (state general funds spent to support LSTA purposes and priorities), and (2) Match (state/special funds spent on programs outlined in the Vermont LSTA 5-Year Plan). Meeting MOE is at risk in both FY15 and FY16.

We will be working with Consultant Bill Wilson this winter/spring to restructure our Department in order to:

- Successfully manage FY16 budget reductions
- Find opportunities for strengthening the impact of our programs and services
- Create a new strategic plan with a focus on our highest priorities (See II above)
- Create an effective system of setting and reporting outcomes
- Meet the purposes and priorities of the federal LSTA program, and revise our LSTA 5-Year Plan, as needed
- Preserve as much federal funding as possible.

IV. FY16 Budget Reductions

Cuts in programs A & B (below) will have no impact on MOE and federal funding:

A. *Eliminate Law Library* at the Department of Libraries

GF: \$215,755

- Eliminate 1 FTE (Law Librarian): \$102,505
- Eliminate law print & digital collections/subscriptions: \$70,000
- Fee for space savings (eliminate 1 floor stacks): \$40,250
[Potential for renovation for Judiciary office space]
- End legal reference service
- End VTLIB Westlaw contract management for State of Vermont

B. *End Participation in Federal Documents Depository program*

GF: \$40,250

- Fee for space savings (eliminate 1 floor stacks): \$40,250

C. Remaining GF \$214,962 cuts pending our work with Library Consultant Bill Wilson.