

**HB 5017 BUDGET REPORT and MEASURE SUMMARY**

**Joint Committee On Ways and Means**

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**Reviewed By:** Zane Potter, Legislative Fiscal Office

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**Oregon State Library**

**2021-23**

PRELIMINARY

## **Budget Summary\***

|                       | 2019-21   | 2021 - 23             | 2021-23                     | Committee Change from 2019-21                  |             |
|-----------------------|---|-----------------------|-----------------------------|--|-------------|
|                       | Legislatively Approved<br>Budget <sup>(1)</sup> | Current Service Level | Committee<br>Recommendation | Committee Change from 2019-21<br>Leg. Approved |             |
|                       |   |                       |                             | \$ Change                                      | % Change    |
| General Fund          | \$ 4,081,203                                    | \$ 4,534,451          | \$ 4,534,451                | \$ 453,248                                     | 11.1%       |
| Other Funds Limited   | \$ 7,205,514                                    | \$ 7,550,220          | \$ 7,466,921                | \$ 261,407                                     | 3.6%        |
| Federal Funds Limited | \$ 5,285,859                                    | \$ 5,581,208          | \$ 5,000,000                | \$ (285,859)                                   | -5.4%       |
| <b>Total</b>          | <b>\$ 16,572,576</b>                            | <b>\$ 17,665,879</b>  | <b>\$ 17,001,372</b>        | <b>\$ 428,796</b>                              | <b>2.6%</b> |

## **Position Summary**

|                                      |       |       |       |       |
|--------------------------------------|-------|-------|-------|-------|
| Authorized Positions                 | 41    | 40    | 40    | -1    |
| Full-time Equivalent (FTE) positions | 39.04 | 38.47 | 38.47 | -0.57 |

<sup>(1)</sup> Includes adjustments through January 2021

\* 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 expects to receive \$5.0 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 Library anticipates receiving less in Federal Funds revenue, as such, the Subcommittee recommended a revenue reduction package (070) to reduce Federal Funds by \$581,208 and an Other Funds revenue reduction of \$83,299, due to a reduction in library database subscriptions.

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 on two-thirds of 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 Oregon State Library's mission is to cultivate, preserve, and deliver library and information services to foster lifelong learning and community engagement. The Oregon State Library (Library) was established as the Oregon Library Commission in 1905, and today provides information services to over 37,000 state government employees. The Library also circulates library materials in digital and Braille format to approximately 5,200 print-disabled Oregonians and provides grants and assistance to help develop and improve library services, as well as foster greater cooperation among all of Oregon's libraries. The State Library is governed by an independent board. The present board consists of seven members from different areas throughout the state who are appointed by the Governor to serve four-year terms. The Board appoints the State Librarian.

The General Government Subcommittee recommended a budget of \$17,001,372 total funds; \$4,534,451 General Fund, \$7,466,921 Other Funds expenditure limitation, \$5,000,000 Federal Funds expenditure limitation, and 40 positions (38.47 FTE). This represents a total funds increase of 2.6 percent from the 2019-21 Legislatively Approved Budget. The agency position count and full-time equivalent positions are decreased by one and 0.57, respectively.

### **Operations**

The Operations Division is responsible for administrative functions and program support including strategic leadership, fiscal management, information technology, volunteer coordination, communications, and State Library Board support. This Division provides the infrastructure support and services necessary for the other State Library divisions to successfully carryout their programs and services. The Division provides services and support to State Library staff members and volunteers. The State Library has a seven-member policy board supported by this Division including meeting scheduling, minute taking, travel coordination, and board packet preparation.

The Subcommittee recommended a budget of \$2,431,590 total funds (\$128,176 General Fund, \$2,131,969 Other Funds limitation, \$171,445 Federal Funds limitation) and eight positions (7.68 FTE).

### **Library Support and Development Services**

The Library Support and Development Services Division provides consultation services, professional development, statewide library services, and state and federal grant administration to libraries across the state. The Division administers state funded Ready to Read grants to all officially recognized public libraries in Oregon to support summer reading and early literacy programs. The Division administers federal grant funding from the Institute of Museum and Library Services (IMLS) Grants to States Program. The Grants to State Program distributes federal Library Services and Technology Act (LSTA) funding to all state library agencies to support library services within each state. This funding supports statewide library services including the Answerland online reference service, the Oregon School Library Information System, and the Statewide Database Licensing Program. In addition, competitive grants are awarded to libraries to support innovation and enhanced library

services. The Library Support and Development Services Division provides leadership and consulting services to approximately 1,600 public, academic, school, and tribal libraries throughout Oregon.

The Subcommittee recommended a budget of \$7,563,073 total funds (\$2,662,602 General Fund, \$71,916 Other Funds limitation, \$4,828,555 Federal Funds limitation) and eight positions (8.00 FTE). The Subcommittee recommended the following packages:

Package 070: Revenue Shortfalls. Package 070 reduces Federal Funds expenditure limitation due to lower revenue estimates from the IMLS grant program responsible for providing the state with LSTA funds. The package also reduces Other Funds expenditure limitation to reflect a reduction in revenue from libraries for database subscriptions.

Package 090: Analyst Adjustments. Package 090 moves 0.50 FTE of a Principal Executive Manager D position into the Library Support and Development Services Division from the Talking Book and Braille Division. The full FTE of this position will be included in the Library Support and Development Services Division. The primary purpose of this package is to align the budget with a permanent financing plan approved in December 2019.

### **Talking Book and Braille Library**

The Talking Book and Braille Library serves Oregonians with print disabilities by providing Braille, audiobooks, descriptive videos, and magazines through the mail and digital download. This is a free service to eligible Oregonians and has over 5,000 active users and an average of approximately 30,000 items circulated every month. The Talking Book and Braille Library is the regional library in Oregon for the Library of Congress' National Library Service for the Blind and Print Disabled network. The National Library Service provides the collection and shipping costs free through the Free Matter for the Blind and Other Physically Handicapped Persons program.

The Subcommittee recommended a budget of \$2,069,966 total funds (\$1,743,673 General Fund and \$326,293 Other Funds limitation) and eight positions (7.48 FTE). The Subcommittee recommended the following packages:

Package 090: Analyst Adjustments. Package 090 moves 0.50 FTE of a Principal Executive Manager D position into the Library Support and Development Services Division from the Talking Book and Braille Division. The full FTE of this position will be included in the Library Support and Development Services Division. The primary purpose of this package is to align the budget with a permanent financing plan approved in December 2019.

**Government Information and Library Services**

The Government Information and Library Services Division provides library services to state employees including research assistance, professional development, and instruction. Through the embedded librarian program, each state agency is assigned a librarian to provide specialized assistance and resources to support state agency staff in their work. The Division preserves state agency publications and makes them accessible through the Oregon Digital Collections website. The Division collects and manages print and online resources focused on the research needs of government employees and provides inter-library loan services to acquire requested resources owned by other libraries.

The Subcommittee recommended a budget of \$4,936,743 total funds (all Other Funds limitation) and 16 positions (15.31 FTE).

**Summary of Performance Measure Action**

See attached Legislatively Adopted 2021-23 Key Performance Measures form.

PRELIMINARY

**DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION**

**Oregon State Library**  
**Tamara Brickman -- (971) 719-3492**

| DESCRIPTION   | GENERAL FUND        | LOTTERY FUNDS | OTHER FUNDS         |             | FEDERAL FUNDS       |             | TOTAL ALL FUNDS      | POS       | FTE          |
|---|---------------------|---------------|---------------------|-------------|---------------------|-------------|----------------------|-----------|--------------|
|   |                     |               | LIMITED             | NONLIMITED  | LIMITED             | NONLIMITED  |                      |           |              |
| 2019-21 Legislatively Approved Budget at Jan. 2021*         | \$ 4,081,203        | \$ -          | \$ 7,205,514        | \$ -        | \$ 5,285,859        | \$ -        | \$ 16,572,576        | 41        | 39.04        |
| 2021-23 Current Service Level (CSL)*                        | \$ 4,534,451        | \$ -          | \$ 7,550,220        | \$ -        | \$ 5,581,208        | \$ -        | \$ 17,665,879        | 40        | 38.47        |
| <b>SUBCOMMITTEE ADJUSTMENTS (from CSL)</b>                  |                     |               |                     |             |                     |             |                      |           |              |
| <b>54300-002 - Library Support and Development Services</b> |                     |               |                     |             |                     |             |                      |           |              |
| Package 070: Revenue Shortfalls                             |                     |               |                     |             |                     |             |                      |           |              |
| Services and Supplies                                       | \$ -                | \$ -          | \$ (83,299)         | \$ -        | \$ -                | \$ -        | \$ (83,299)          |           |              |
| Special Payments  | \$ -                | \$ -          | \$ -                | \$ -        | \$ (581,208)        | \$ -        | \$ (581,208)         |           |              |
| Package 090: Analyst Adjustments                            |                     |               |                     |             |                     |             |                      |           |              |
| Personal Services   | \$ 156,865          | \$ -          | \$ -                | \$ -        | \$ -                | \$ -        | \$ 156,865           | 0         | 0.50         |
| <b>54300-003 - Talking Book and Braille Library</b>         |                     |               |                     |             |                     |             |                      |           |              |
| Package 090: Analyst Adjustments                            |                     |               |                     |             |                     |             |                      |           |              |
| Personal Services   | \$ (156,865)        | \$ -          | \$ -                | \$ -        | \$ -                | \$ -        | \$ (156,865)         | 0         | -0.50        |
| <b>TOTAL ADJUSTMENTS</b>                                    | <b>\$ -</b>         | <b>\$ -</b>   | <b>\$ (83,299)</b>  | <b>\$ -</b> | <b>\$ (581,208)</b> | <b>\$ -</b> | <b>\$ (664,507)</b>  | <b>0</b>  | <b>0.00</b>  |
| <b>SUBCOMMITTEE RECOMMENDATION *</b>                        | <b>\$ 4,534,451</b> | <b>\$ -</b>   | <b>\$ 7,466,921</b> | <b>\$ -</b> | <b>\$ 5,000,000</b> | <b>\$ -</b> | <b>\$ 17,001,372</b> | <b>40</b> | <b>38.47</b> |
| <br>  |                     |               |                     |             |                     |             |                      |           |              |
| % Change from 2019-21 Leg Approved Budget                   | 11.1%               | 0.0%          | 3.6%                | 0.0%        | -5.4%               | 0.0%        | 2.6%                 | -2.4%     | -1.5%        |
| % Change from 2021-23 Current Service Level                 | 0.0%                | 0.0%          | -1.1%               | 0.0%        | -10.4%              | 0.0%        | -3.8%                | 0.0%      | 0.0%         |

\*Excludes Capital Construction Expenditures

PRELIMINARY

# Legislatively Approved 2021 - 2023 Key Performance Measures

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Agency: Library, Oregon State

**Mission Statement:**

The State Library of Oregon cultivates, preserves, and delivers library and information services to foster lifelong learning and community engagement.

| Legislatively Approved KPMs  | Metrics                     | Agency Request  | Last Reported Result | Target 2022 | Target 2023 |
|--|-----------------------------|-----------------|----------------------|-------------|-------------|
| 4. COST PER CIRCULATION - Cost per circulation of talking books and Braille books.   |                             | Approved        | \$2.36               | \$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        | 1,735                | 2,500       | 2,500       |
| 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        | 92.20%               | 90%         | 90%         |
|  | Expertise                   |                 | 88.20%               | 90%         | 90%         |
|  | Helpfulness                 |                 | 90.60%               | 90%         | 90%         |
|  | Timeliness                  |                 | 91.90%               | 90%         | 90%         |
|  | Overall                     |                 | 94.10%               | 90%         | 90%         |
|  | Accuracy                    |                 | 90.60%               | 90%         | 90%         |
| 1. Patron Service Transactions - Number of reference queries, document delivery and interlibrary loan requests, and outreach/instruction sessions to state agency employees.   |                             | Proposed New    |                      | 8,000       | 8,000       |
| 2. State Agency Employee Use of Electronic Resources - Total yearly use of Government Information and Library Services electronic resources.   | Total yearly searches       | Proposed New    |                      | 140,000     | 140,000     |
|  | Total yearly actions        |                 |                      | 90,000      | 90,000      |
|  | Total yearly downloads      |                 |                      | 55,000      | 55,000      |
| 3. Talking Book and Braille Library Average Use by User - Total number of circulations per year divided by the number of registered users at the end of the fiscal year.   |                             | Proposed New    |                      | 70          | 70          |
| 8. Value of Talking Book and Braille Library - Percent of Talking Book users that strongly agree or agree that the Talking Book and Braille Library has added value to their life.   |                             | Proposed New    |                      | 90%         | 90%         |
| 9. Ready to Read Participation - Total number of youth 0 – 14 years of age participating in a Ready to Read grant funded activity per year divided by Ready to Read grant funding per year.  |                             | Proposed New    |                      | 0.40        | 0.40        |
| 10. Value of Library Support Programs and Services - Percent of Oregon library staff that strongly agree or agree that the services and programs offered by Library Support help them provide better library service to their community. |                             | Proposed New    |                      | 90%         | 90%         |
| 1. RESEARCH TRANSACTIONS - Number of research assistance transactions for state employees.   |                             | Proposed Delete | 7,907                | 10,000      | 10,000      |
| 2. USE OF GOVERNMENT SERVICES ELECTRONIC RESOURCES - Average [daily] use of Government Information and Library Services electronic resources.  |                             | Proposed Delete | 1,408                | 1,115       | 1,115       |

| Legislatively Approved KPMs  | Metrics | Agency Request  | Last Reported Result | Target 2022 | Target 2023 |
|--|---------|-----------------|----------------------|-------------|-------------|
| 3. TALKING BOOK AND BRAILLE SERVICES USERS - Number of individuals registered to receive Talking Book and Braille Services.  |         | Proposed Delete | 5,004                | 5,400       | 5,400       |
| 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. |         | Proposed Delete | 57%                  | 62%         | 62%         |

**LFO Recommendation:**

The Legislative Fiscal Office recommends approval of the proposed Key Performance Measures and updated targets. The proposed KPMs include revisions to KPMs 1, 2, and 3 to more clearly articulate what is being measured. The proposed KPMs also include three new KPMs (8-10) and the deletion of KPM 6. Two of these new KPMs survey customer satisfaction with State Library services (8 and 10) and KPMs 9 measures the annual number of youth participating in a Ready to Read grant funded activity per grant dollar during one year.

**SubCommittee Action:**

The General Government Subcommittee approved the Legislative Fiscal Office recommendations.

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