

6.I 10 PERCENT BIENNIAL BASE REDUCTION OPTIONS
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

Date: 8/18/2010
 Time: 2:41:10PM

Agency code: **306** Agency name: **Library & Archives Commission**

Item Priority and Name/ Method of Financing	REVENUE LOSS			REDUCTION AMOUNT			TARGET
	2012	2013	Biennial Total	2012	2013	Biennial Total	

1 Loss of Federal Funds

Category: Programs - Grant/Loan/Pass-through Reductions

Item Comment: To qualify for federal funding (Library Services and Technology Act, Fund 118), the state must maintain effort by spending sufficient General Revenue to meet the average expenditures in the three previous fiscal years. For 2012, the estimated maintenance of effort is \$18.13 million; this is the amount of GR that the agency must spend on programs included in the federal plan.

Because of the 5% GR reduction that was made in 2010-2011, we estimate the state will lose about \$163,000 of these federal funds in 2012 and \$385,000 in 2013. This is based on projected expenditures in 2010 and 2011.

If the first 5% reduction is made in 2012 and 2013, this drop in federal funds will be an estimated \$813,000 in 2012 and \$840,000 in 2013. This would also cause a loss of about \$221,000 in 2014.

If the full 10% reduction is made in 2012 and 2013, this drop in federal funds will be an estimated \$1,554,000 in 2012 and \$1,360,000 in 2013. This would also cause a loss of about \$473,000 in 2014.

Without a restoration of General Revenue appropriations that would allow the agency's expenditures to reach the required maintenance of effort level (approximately \$600,000), the state would also lose a total of about \$3.4 million in federal funds in the period 2012 to 2014, if the full 10% reduction is made in 2012 and 2013.

Because of the timing of the reporting cycle, the amounts of federal funds lost each year may lag and occur in subsequent fiscal years.

Strategy: 1-1-1 Share Library Resources Among Libraries Statewide

General Revenue Funds

1 General Revenue Fund	\$0	\$0	\$0
General Revenue Funds Total	\$0	\$0	\$0

Federal Funds

118 Fed Pub Library Serv Fd	\$777,000	\$680,000	\$1,457,000
Federal Funds Total	\$777,000	\$680,000	\$1,457,000

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	2012	2013	Biennial Total	2012	2013	Biennial Total	
Strategy: 1-1-2 Aid in the Development of Local Libraries							
<u>General Revenue Funds</u>							
1 General Revenue Fund	\$0	\$0	\$0				
General Revenue Funds Total	\$0	\$0	\$0				
<u>Federal Funds</u>							
118 Fed Pub Library Serv Fd	\$777,000	\$680,000	\$1,457,000				
Federal Funds Total	\$777,000	\$680,000	\$1,457,000				
Item Total	\$1,554,000	\$1,360,000	\$2,914,000				

FTE Reductions (From FY 2012 and FY 2013 Base Request)

2 First 5% Reduction - Strategy 1.1.2

Category: Programs - Grant/Loan/Pass-through Reductions

Item Comment: General Revenue Dedicated funds are collected from the sale of "Texas Reads!" license plates.

They are awarded as grants to public libraries to promote reading programs.

Although the proposed cut to the Texas Reads grant program is modest, these small grants have had outsized impact on the hundreds of small public libraries that have used these grants over the years to support reading and literacy programs in their communities. A budget cut would mean that at least one small public library would not be able to benefit from this program.

Strategy: 1-1-2 Aid in the Development of Local Libraries

Gr Dedicated

5042 Texas Reads Plate Account	\$0	\$0	\$0	\$289	\$289	\$578
Gr Dedicated Total	\$0	\$0	\$0	\$289	\$289	\$578
Item Total	\$0	\$0	\$0	\$289	\$289	\$578

FTE Reductions (From FY 2012 and FY 2013 Base Request)

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3 First 5% Reduction - Strategy 1.1.2

Category: Programs - Grant/Loan/Pass-through Reductions

Item Comment: The System Negotiated Grants (SyNG) will be eliminated. This initiative was first funded in the current biennium and provides funds to the Texas Library System to collaborate to meet state priorities related to ensuring economic competitiveness.

Texas Library Systems help bring libraries all across the state together with their local and regional organizations to find ways to meet local needs, especially in the areas of workforce development and literacy.

The SyNG grants also provides funds for Systems to deliver continuing education in needed subject areas that not allowable with the federal funds that operate the Library Systems.

Strategy: 1-1-2 Aid in the Development of Local Libraries

General Revenue Funds

1 General Revenue Fund	\$0	\$0	\$0	\$481,250	\$481,250	\$962,500
General Revenue Funds Total	\$0	\$0	\$0	\$481,250	\$481,250	\$962,500
Item Total	\$0	\$0	\$0	\$481,250	\$481,250	\$962,500

FTE Reductions (From FY 2012 and FY 2013 Base Request)

4 First 5% Reduction - Indirect Admin

Category: Programs - Service Reductions (Contracted)

Item Comment:

The funding used to manage the agency's Executive Office will be reduced.

In addition to the reduction of operating costs, the contract to monitor the availability, use, and benefit of federal funds, especially ARRA, will be eliminated.

This contract has identified a funding opportunity in the Broadband Technology Opportunities Program (BTOP) in which the agency applied for over \$3 million to assist Texas communities with Community Access Center initiatives. While there has not yet been an announcement of whether or not the agency was successful in this application, other important opportunities are available from the federal government that could provide possible new sources of revenue to improve libraries across the state.

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Strategy: 4-1-1 Indirect Administration							
<u>General Revenue Funds</u>							
1 General Revenue Fund	\$0	\$0	\$0	\$56,555	\$56,555	\$113,110	
General Revenue Funds Total	\$0	\$0	\$0	\$56,555	\$56,555	\$113,110	
Item Total	\$0	\$0	\$0	\$56,555	\$56,555	\$113,110	

FTE Reductions (From FY 2012 and FY 2013 Base Request)

5 First 5% Reduction - Strategy 1.1.2

Category: Programs - Grant/Loan/Pass-through Reductions

Item Comment: Loan Star Libraries (LSL) grants will be reduced \$225,000 each year. Begun in FY02, this program provides state aid grants to Texas public libraries to enable them to improve current library services, expand services, or establish new services and to reduce barriers to public library service for Texans. These grants are awarded on a formula that encourages local communities to provide a higher level of support to their public library.

In this economic downturn, public libraries have seen sharply increased use by people who are either unemployed or under-employed. These people are going to libraries for Internet access, job/career resources, & computer training. Texas has a large number of people with low literacy levels; public libraries provide training & literacy resources to help local users. Because of this reduction in LSL grants, public libraries will provide less assistance in these areas to local communities. In addition, cuts to other grants will reduce the technical assistance needed by local library staff to coordinate training & cooperation with other organizations.

Public libraries are supported primarily by local funding sources. Demand for library services continues to increase as population grows, information & lifelong learning needs increase, and more technology & electronic resources are available. Texas public libraries do not compare well with the national averages for expenditures, number of books, staffing levels, & other measures of support. Because most funding is from local sources, there is no incentive for local jurisdictions to remove barriers to service for those Texans living in areas without a public library. Decreased LSL grants, especially when local budgets are being reduced, would reduce the number of new materials, programs, hours open, & other services currently funded through these grants.

Estimated performance: 71,000 fewer persons served, 22,000 fewer materials supplied to libraries, & 3,100 fewer librarians trained.

Strategy: 1-1-2 Aid in the Development of Local Libraries

General Revenue Funds

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	2012	2013	Biennial Total	2012	2013	Biennial Total	
1 General Revenue Fund	\$0	\$0	\$0	\$225,000	\$225,000	\$450,000	
General Revenue Funds Total	\$0	\$0	\$0	\$225,000	\$225,000	\$450,000	
Item Total	\$0	\$0	\$0	\$225,000	\$225,000	\$450,000	

FTE Reductions (From FY 2012 and FY 2013 Base Request)

6 First 5% Reduction - Strategy 1.1.1

Category: Programs - Service Reductions (Other)

Item Comment: TexShare Databases are online collections of genealogical resources, books, homework help, encyclopedias, scholarly journals, popular magazines, Texas history, company profiles, and health-related information that are digitized and made available through Texas libraries.

Texans can access these materials 24 hours a day from any place with an Internet connection. TexShare provides online content for users of TexShare member libraries, regardless of library size, type, or geographic location. Reducing funding to these services would result in a significant loss of online content. Texans would lose access to respected information resources and students would have fewer reliable, citable sources for research papers.

We estimate that loss of these materials would result in a decline in service (about 52,000 fewer persons served). If we no longer support access to these databases and the TexShare member libraries had to subscribe to these electronic resources themselves, the cumulative cost to Texas libraries would be over \$10 million; this would be the loss of cost-avoidance to Texas libraries.

Strategy: 1-1-1 Share Library Resources Among Libraries Statewide

General Revenue Funds

1 General Revenue Fund	\$0	\$0	\$0	\$225,000	\$225,000	\$450,000	
General Revenue Funds Total	\$0	\$0	\$0	\$225,000	\$225,000	\$450,000	
Item Total	\$0	\$0	\$0	\$225,000	\$225,000	\$450,000	

FTE Reductions (From FY 2012 and FY 2013 Base Request)

7 Second 5% Reduction - Strategy 1.1.2

Category: Programs - Grant/Loan/Pass-through Reductions

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	2012	2013	Biennial Total	2012	2013	Biennial Total	

Item Comment: General Revenue Dedicated funds are collected from the sale of "Texas Reads!" license plates.

They are awarded as grants to public libraries to promote reading programs.

Although the proposed cut to the Texas Reads grant program is modest, these small grants have had outsized impact on the hundreds of small public libraries that have used these grants over the years to support reading and literacy programs in their communities. A budget cut would mean that at least one small public library would not be able to benefit from this program.

Strategy: 1-1-2 Aid in the Development of Local Libraries

Gr Dedicated

5042 Texas Reads Plate Account	\$0	\$0	\$0	\$288	\$288	\$576
Gr Dedicated Total	\$0	\$0	\$0	\$288	\$288	\$576
Item Total	\$0	\$0	\$0	\$288	\$288	\$576

FTE Reductions (From FY 2012 and FY 2013 Base Request)

8 Second 5% Reduction - Indirect Admin

Category: Administrative - FTEs / Layoffs

Item Comment: The agency would be forced to layoff some administrative support staff in the Administrative Services Division if a 5% budget reduction was required. Productivity throughout the agency will decrease substantially as the time required to complete administrative tasks will increase. This will slow down the time to review contracts and purchase requisitions, slow down the time to process travel claims, process bills and the volume of reports that are required by oversight agencies. Other areas in Administrative Services that will be affected is the processing of many mail pieces the agency receives and reproduction service request throughout the agency.

Strategy 4-1-1

Strategy: 4-1-1 Indirect Administration

General Revenue Funds

1 General Revenue Fund	\$0	\$0	\$0	\$37,805	\$37,804	\$75,609
General Revenue Funds Total	\$0	\$0	\$0	\$37,805	\$37,804	\$75,609

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	2012	2013	Biennial Total	2012	2013	Biennial Total	
Item Total	\$0	\$0	\$0	\$37,805	\$37,804	\$75,609	
FTE Reductions (From FY 2012 and FY 2013 Base Request)				0.5	0.5		
9 Second 5% Reduction - Strategy 3.1.1							
Category: Programs - Service Reductions (FTEs-Layoffs)							
Item Comment: This reduction of general revenue of \$50,000 each year to this strategy will negatively impact service levels of the State and Local Record Management division. Services provided to state and local governments include records management assistance and consultation, imaging services and records storage services.							
All state governments and over 10,000 local governments require assistance in developing records management programs, recertifying and amending records retention schedules, and training in the complex technologies and legal needs of records management. Training is currently provided on-site and in all regions of Texas as requested. SLRM provides imaging services for both state and local governments including grant-funded projects. Storage services at the SLRM facility include stack storage, vault storage, and disaster recovery storage and rotation for state agencies.							
Strategy: 3-1-1 Records Management Services for State/Local Government Officials							
<u>General Revenue Funds</u>							
1 General Revenue Fund	\$0	\$0	\$0	\$50,000	\$50,000	\$100,000	
General Revenue Funds Total	\$0	\$0	\$0	\$50,000	\$50,000	\$100,000	
Item Total	\$0	\$0	\$0	\$50,000	\$50,000	\$100,000	
FTE Reductions (From FY 2012 and FY 2013 Base Request)				1.0	1.0		

10 Second 5% Reduction - Strategy 2.1.1

Category: Programs - Service Reductions (FTEs-Layoffs)

Item Comment: The anticipated impact on performance measures of this reduction would be a decrease of 3-5% in customer satisfaction and 2-4% in number of assists. This reduction would cut staff by 1 FTE (\$40,000), lower supplies and materials (\$5,000), and reduce other operating expenses (\$5,000).

Reduction of staff and materials would lengthen response time to customer needs and reduce the availability of expected information resources. Reduction of archival supplies would negatively impact the agency's ability to process, preserve, and make available archival records.

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	2012	2013	Biennial Total	2012	2013	Biennial Total	
Strategy: 2-1-1 Provide Access to Information and Archives							
<u>General Revenue Funds</u>							
1 General Revenue Fund	\$0	\$0	\$0	\$50,000	\$50,000	\$100,000	
General Revenue Funds Total	\$0	\$0	\$0	\$50,000	\$50,000	\$100,000	
Item Total	\$0	\$0	\$0	\$50,000	\$50,000	\$100,000	
FTE Reductions (From FY 2012 and FY 2013 Base Request)				1.0	1.0		

11 Second 5% Reduction - Strategy 1.2.1

Category: Programs - Service Reductions (FTEs-Layoffs)

Item Comment: The Talking Book Program (TBP) provides reading materials in specialized formats and specialized playback equipment to thousands of Texans who cannot read standard print because of a disability (blindness or other physical handicap). Direct service to TBP users is provided by its toll-free call center and by its circulation center where materials are processed and mailed postage-paid to users.

In order to meet TBP's portion of the 5% reduction (\$50,000) for FY2013, one FTE will be eliminated (\$35,000), with the rest of the reduction coming from the operating budgets for administration and audio production. Elimination of the FTE will impact users' ability to order reading materials, report problems with their equipment, and manage their accounts; elimination of operating funds will impact production of large print and Braille materials and the number of digital cartridge books produced.

Strategy: 1-2-1 Provide Direct Library Services by Mail to Texans with Disabilities

<u>General Revenue Funds</u>							
1 General Revenue Fund	\$0	\$0	\$0	\$50,000	\$50,000	\$100,000	
General Revenue Funds Total	\$0	\$0	\$0	\$50,000	\$50,000	\$100,000	
Item Total	\$0	\$0	\$0	\$50,000	\$50,000	\$100,000	
FTE Reductions (From FY 2012 and FY 2013 Base Request)				1.0	1.0		

12 Second 5% Reduction - Strategy 1.1.1

Category: Programs - Service Reductions (Other)

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	2012	2013	Biennial Total	2012	2013	Biennial Total	
<p>Item Comment: TexShare Databases are online collections of genealogical resources, books, homework help, encyclopedias, scholarly journals, popular magazines, Texas history, company profiles, and health-related information that are digitized and made available through Texas libraries. Additional reduction in funding to this program would further erode the depth and breadth of informational content available to Texas faculty, students, and lifelong learners.</p> <p>We estimate that loss of database content at this level would result in 450,000 fewer persons served. If we no longer support access to this content and TexShare member libraries have to subscribe to these electronic resources themselves, the cumulative cost to libraries would be over \$15 million; this would be the loss of cost-avoidance to Texas libraries.</p> <p>Also we would limit resources directed to Library of Texas (LoT), the user-friendly interface to electronic resources, to basic maintenance and security costs. Without system enhancements to LoT, this service will become outdated and fail to meet Texans' needs for swift, easy access to information.</p> <p>Loss of one FTE reflects an 8% decrease in program staffing, further hampering our ability to keep our technology current, limiting our ability to provide librarians with training in use of resource sharing technology, and resulting in longer wait-times for customers needing support using our services.</p> <p>Strategy: 1-1-1 Share Library Resources Among Libraries Statewide</p>							
<u>General Revenue Funds</u>							
1 General Revenue Fund	\$0	\$0	\$0	\$275,000	\$275,000	\$550,000	
General Revenue Funds Total	\$0	\$0	\$0	\$275,000	\$275,000	\$550,000	
Item Total	\$0	\$0	\$0	\$275,000	\$275,000	\$550,000	
FTE Reductions (From FY 2012 and FY 2013 Base Request)				1.0	1.0		
13 Second 5% Reduction - Strategy 1.1.2							
Category: Programs - Grant/Loan/Pass-through Reductions							

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	2012	2013	Biennial Total	2012	2013	Biennial Total	
<p>Item Comment: This additional reduction will further diminish the benefits of the Loan Star Libraries (LSL) grants. As described above, LSL provides state aid grants to Texas public libraries to enable them to improve current library services, expand services, or establish new services and to reduce barriers to public library service for Texans. These grants are awarded on a formula that encourages local communities to provide a higher level of support to their public library.</p> <p>Also, operating expenses of this strategy will be cut \$50,000 (about \$40,000 salary, \$5,000 supplies, & \$5,000 other operating). The loss of staff is expected to result in fewer librarians receiving training & assistance.</p> <p>In this economic downturn, public libraries have seen sharply increased use by people who are either unemployed or under-employed. These people are going to libraries for Internet access, job/career resources, and computer training. Texas has a large number of people with low literacy levels; public libraries provide training and literacy resources to help local adult learners.</p> <p>Public libraries are supported primarily by local funding sources. Demand for public library services continues to increase as population grows, information and life-long learning needs increase, and more technology and electronic resources are available. Texas public libraries do not compare well with the national averages for expenditures, number of books, staffing levels, and other measures of support. Because most funding is from local sources, there is no incentive for local jurisdictions to remove barriers to service for those Texans living in areas without a public library. Decreased LSL grants, especially when local budgets are being reduced, would reduce the number of new materials, programs, hours open, and other services currently funded through these grants.</p> <p>Estimated performance: 126,000 fewer persons served, 31,000 fewer materials supplied to libraries, & 9,100 fewer librarians trained.</p> <p>Strategy: 1-1-2 Aid in the Development of Local Libraries</p>							
<u>General Revenue Funds</u>							
1 General Revenue Fund	\$0	\$0	\$0	\$525,000	\$525,000	\$1,050,000	
General Revenue Funds Total	\$0	\$0	\$0	\$525,000	\$525,000	\$1,050,000	
Item Total	\$0	\$0	\$0	\$525,000	\$525,000	\$1,050,000	
FTE Reductions (From FY 2012 and FY 2013 Base Request)				1.0	1.0		
AGENCY TOTALS							
General Revenue Total				\$1,975,610	\$1,975,609	\$3,951,219	\$3,951,219
GR Dedicated Total				\$577	\$577	\$1,154	\$1,154

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Agency Grand Total	\$1,554,000	\$1,360,000	\$2,914,000	\$1,976,187	\$1,976,186	\$3,952,373	
Difference, Options Total Less Target							
Agency FTE Reductions (From FY 2012 and FY 2013 Base Request)				5.5	5.5		