Texas Public Libraries

Maintenance of Effort (MOE) Explained

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Texas State Library and Archives Commission
2018
Maintenance of Effort

In order to maintain accreditation, libraries must maintain a local level of support that meets or exceeds what has been provided previously.
Texas Administrative Code
Rule §1.74

(a) A public library must demonstrate local effort on an annual basis by maintaining or increasing local operating expenditures or per capita local operating expenditures. Expenditures for the current reporting year will be compared to the average of the total local operating expenditures or to the average of the total per capita local operating expenditures for the three preceding years.

(b) A public library must have minimum total local expenditures of ...$15,000 in local fiscal years 2016, 2017, 2018; $18,000 in local fiscal years 2019, 2020, 2021; and $21,000 in local fiscal years 2022, 2023, 2024.

(c) Exemption: Libraries that expend at least $17.50 per capita and at least $150,000 of local funds are exempt from this membership criterion.
Meaning

(a) Meet or exceed MOE. Average calculated two ways:
   - Simple average of last three years’ amount in question 4.2
   - Per capita average

(b) Minimum local funding of expenditures must exceed $15,000 annually; will increase

(c) Exempt from MOE with $17.50/capita AND $150,000 local expenditures
Calculation Methods

Local operating expenditures – as reported in question 4.2

Per capita local expenditures
Example –
Local Operating Expenditures
Simple three-year average

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount in 4.2</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>$32,001</td>
</tr>
<tr>
<td>2015</td>
<td>$35,500</td>
</tr>
<tr>
<td>2016</td>
<td>$33,001</td>
</tr>
<tr>
<td>Total</td>
<td>$100,502</td>
</tr>
<tr>
<td>Average (MOE)</td>
<td>$33,500.67</td>
</tr>
</tbody>
</table>
### Example – Per Capita Average

<table>
<thead>
<tr>
<th>Local Fiscal Year</th>
<th>Question 4.2</th>
<th>Population Assignment</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>$32,001</td>
<td>1,500</td>
</tr>
<tr>
<td>2015</td>
<td>$35,500</td>
<td>1,545</td>
</tr>
<tr>
<td>2016</td>
<td>$33,001</td>
<td>1,591</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$32,001</strong></td>
<td><strong>4,636</strong></td>
</tr>
<tr>
<td><strong>Average</strong></td>
<td><strong>$33,500.67</strong></td>
<td><strong>1,545</strong></td>
</tr>
</tbody>
</table>

Per capita local expenditures (4.2/Pop) = $21.6833

\[
$33,500.67 \div 1,545
\]

**MOE**

Multiply by current population

\[
$21.6833 \times 1,600 = $34,693.28
\]
MOE Requirement

Maintenance of Effort is the lower of the two amounts.

Three-year average $33,500.67
Per capita average $34,693.28
## Planning

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Library Budget</strong></td>
<td>$33,000</td>
<td>$33,000</td>
<td>$33,500</td>
<td>$33,500</td>
<td>$33,000</td>
</tr>
<tr>
<td><strong>Other local</strong></td>
<td>$1,500</td>
<td>$1,500</td>
<td>$2,500</td>
<td>$3,500</td>
<td>$1,500</td>
</tr>
<tr>
<td><strong>fundraising</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Expenditures</strong></td>
<td>($35,500)</td>
<td>($33,001)</td>
<td>($34,750)</td>
<td>($37,050)</td>
<td>($34,595)</td>
</tr>
<tr>
<td><strong>MOE</strong></td>
<td>$32,750</td>
<td>$32,975</td>
<td>$33,501</td>
<td>$34,417</td>
<td>$34,934</td>
</tr>
<tr>
<td><strong>Met?</strong></td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
</tbody>
</table>
What if?

Failure to meet MOE puts library at risk of losing accreditation for the next State fiscal year.
Options

1. Make certain all operating expenditures are reported.
2. Ask local government funding authority if there are any indirect costs* which can be reported.
3. Appeal to the LSA Advisory Board for a waiver of this criterion, in order to maintain library accreditation.
4. Library is not accredited for next State fiscal year. MOE will re-set to new level the following year.

*Items not in the library budget, paid on behalf of the library by the local government funding authority.
Contact Information

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