

**Greenbook**  
**LSC Analysis of Enacted Budget**

---

---

**State Library Board**

---

---

Jason Glover, Budget Analyst  
Legislative Service Commission

August 2017

# TABLE OF CONTENTS

<b>OVERVIEW</b> .....	<b>1</b>
Agency Overview.....	1
Appropriation Overview .....	1
<b>ANALYSIS OF ENACTED BUDGET</b> .....	<b>2</b>
Introduction .....	2
<b>Category 1: Library Services and Support</b> .....	<b>3</b>
Operating Expenses (350321) .....	3
Ohioana Library Association (350401).....	3
Regional Library Systems (350502).....	4
Services for State Agencies (350602).....	4
Services for Libraries (350603).....	4
Library for the Blind (350605) .....	5
LSTA Federal (350601) .....	5
<b>Category 2: Ohio Public Library Information Network</b> .....	<b>6</b>
Ohio Public Library Information Network (350604).....	6

## **ATTACHMENT:**

Budget Spreadsheet By Line Item

# State Library Board

- Appropriations of \$21.8 million each fiscal year
- GRF funding in each fiscal year comprises about 24% of the biennium budget
- Operating support for Ohioana Library Association moved to State Library Board budget

## OVERVIEW

### Agency Overview

The State Library Board (LIB) provides library and information services to Ohio's state government, local libraries, educational institutions, and residents. It maintains, provides, and disseminates information and library materials; promotes collaboration between local, academic, and governmental libraries; and acts as a depository for state and federal government documents. The State Library Board also oversees the Ohio Public Library Information Network (OPLIN).

The State Library Board consists of five uncompensated members appointed by the State Board of Education. The State Library Board appoints the State Librarian and the OPLIN board and sets overall policy. The State Librarian oversees the day-to-day operations of the State Library and its employees.

### Appropriation Overview

Fund Group	FY 2017*	FY 2018	% change, FY 2017-FY 2018	FY 2019	% change, FY 2018-FY 2019
General Revenue	\$5,775,198	\$5,295,114	-8.3%	\$5,300,114	0.1%
Dedicated Purpose	\$10,631,650	\$11,154,816	4.9%	\$11,154,816	0.0%
Internal Service Activity	\$1,057	\$8,000	657.0%	\$8,000	0.0%
Federal	\$5,313,848	\$5,350,000	0.7%	\$5,350,000	0.0%
<b>TOTAL</b>	<b>\$21,721,753</b>	<b>\$21,807,930</b>	<b>0.4%</b>	<b>\$21,812,930</b>	<b>0.0%</b>

\*FY 2017 figures represent actual expenditures.

As seen in the table above, the State Library receives appropriations of \$21.8 million in each fiscal year. The State Library's GRF appropriations decrease by 8.3% from actual expenditures in FY 2017, then increase by 0.1% in FY 2019. Compared to FY 2017 actual expenditures, the overall budget increases by 0.4% in FY 2018 and is essentially flat in FY 2019. The State Library receives 51.1% of its appropriations from the Dedicated Purpose Fund Group, 24.5% from the Federal Fund Group, 24.3% from the General Revenue Fund, and less than 0.1% from the Internal Service Activity Fund Group.

## ANALYSIS OF ENACTED BUDGET

### Introduction

This section provides an analysis of the funding for each appropriation item in LIB's budget. LIB's line items are grouped into two major categories. For each category a table is provided listing the appropriation in each fiscal year of the biennium. Following the table, a narrative describes how the appropriation is used. If the appropriation is earmarked, the earmarks are listed and described. The two categories used in this analysis are as follows:

1. Library Services and Support; and
2. Ohio Public Library Information Network.

To aid the reader in finding each item in the analysis, the following table shows the category in which each appropriation has been placed, listing the line items in order within their respective fund groups and funds. This is the same order the line items appear in the budget bill.

Categorization of LIB's Appropriation Line Items for Analysis of Enacted Budget				
Fund	ALI and Name			Category
<b>General Revenue Fund</b>				
GRF	350321	Operating Expenses		1: Library Services and Support
GRF	350401	Ohioana Library Association		1: Library Services and Support
GRF	350502	Regional Library Systems		1: Library Services and Support
<b>Dedicated Purpose Fund Group</b>				
4590	350603	Services for Libraries		1: Library Services and Support
4S40	350604	Ohio Public Library Information Network		2: Ohio Public Library Information Network
5GB0	350605	Library for the Blind		1: Library Services and Support
<b>Internal Service Activity Fund Group</b>				
1390	350602	Services for State Agencies		1: Library Services and Support
<b>Federal Fund Group</b>				
3130	350601	LSTA Federal		1: Library Services and Support

## Category 1: Library Services and Support

Line items in this category are used to operate the State Library, provide library services to state government and local communities, and to provide financial support for local library programs and special activities.

Appropriations for Library Services and Support				
Fund		ALI and Name	FY 2018	FY 2019
<b>General Revenue Fund</b>				
GRF	350321	Operating Expenses	\$4,500,000	\$4,500,000
GRF	350401	Ohioana Library Association	\$295,114	\$300,114
GRF	350502	Regional Library Systems	\$500,000	\$500,000
<b>General Revenue Fund Subtotal</b>			<b>\$5,295,114</b>	<b>\$5,300,114</b>
<b>Dedicated Purpose Fund Group</b>				
4590	350603	Services for Libraries	\$4,190,834	\$4,190,834
5GB0	350605	Library for the Blind	\$1,274,194	\$1,274,194
<b>Dedicated Purpose Fund Group Subtotal</b>			<b>\$5,465,028</b>	<b>\$5,465,028</b>
<b>Internal Service Activity Fund Group</b>				
1390	350602	Services for State Agencies	\$8,000	\$8,000
<b>Internal Service Activity Fund Group Subtotal</b>			<b>\$8,000</b>	<b>\$8,000</b>
<b>Federal Fund Group</b>				
3130	350601	LSTA Federal	\$5,350,000	\$5,350,000
<b>Federal Fund Group Subtotal</b>			<b>\$5,350,000</b>	<b>\$5,350,000</b>
<b>Total Funding: Library Services and Support</b>			<b>\$16,118,142</b>	<b>\$16,123,142</b>

### Operating Expenses (350321)

This line item is the primary source of state operating support for the State Library's services to state government and local communities. It provides funds for payroll and fringe benefits, maintenance and equipment, the acquisition of library materials, and other administrative costs. The appropriation level represents a decrease of 11.3% over FY 2017 actual expenditures.

### Ohioana Library Association (350401)

This line item provides state support for the Ohioana Library Association (OLA), an independent, nonprofit entity governed by a board of trustees that is dedicated to collecting and promoting literary works by Ohio authors or about Ohio or Ohioans. The budget earmarks \$175,000 in FY 2018 and \$180,000 in FY 2019 to support a portion of OLA's operating expenses, including some payroll and benefit costs, associated with the management of the library's collection and programs. OLA also uses this subsidy to leverage private, independent funds to support OLA and its services. The remainder of

the appropriation, \$120,114 in each fiscal year, covers the rental payments for the space OLA leases in the State Library.

Formerly, this line item only supported OLA's rental payments. Beginning in FY 2018, H.B. 49 appropriates the state operating subsidy that OLA received separately under GRF line item 355501, Library Subsidy, from item 350401 and, accordingly, changes the name of the item from Ohioana Rental Payments to Ohioana Library Association. The table below shows the combined expenditures from the two line items that supported OLA in FY 2017 as well as OLA's FY 2018 and FY 2019 appropriations under the consolidated line item. Overall, the FY 2018 appropriation represents an increase of \$15,301 (5.5%) from FY 2017 actual expenditures and another increase of \$5,000 (1.7%) in FY 2019 compared to the FY 2018 level. Nearly all of the increases are slated for OLA's subsidy for operating expenses.

Line item	FY 2017 Expenditure	FY 2018 Appropriation	FY 2019 Appropriation
Library Subsidy (ALI 355501)	\$160,000	\$0	\$0
Ohioana Library Association (ALI 350401)	\$119,813	\$295,114	\$300,114
<b>TOTAL</b>	<b>\$279,813</b>	<b>\$295,114</b>	<b>\$300,114</b>

### **Regional Library Systems (350502)**

This line item is used to support Ohio's four regional library systems that coordinate the sharing of resources and materials among their member libraries. The four systems provide educational and technology training programs and workshops, coordinate regional library programs, and deliver technology support and consulting services to member libraries and their staffs. Each system receives exactly one-quarter of the state appropriation for this line item, which amounts to \$125,000 per system per fiscal year at the enacted levels. The appropriation level represents a decrease of 14.2% from FY 2017 actual expenditures.

### **Services for State Agencies (350602)**

This line item supports the State Library's services to state government through fees collected from state agencies that use the Library's services. Most fee revenue is received for cataloguing services provided to the Bureau of Workers' Compensation.

### **Services for Libraries (350603)**

Moneys used to support this line item are derived from charges to local libraries and other local entities for State Library services. The majority of revenue and expenditures under this line item are attributable to two programs: Serving Every Ohioan (SEO) consortium's shared online catalog service for 92 local library systems

and the Statewide Delivery Services Program. Other funds in this line item support various other activities to provide State Library services to local communities. The budget appropriates \$4.2 million per year for this line item, which is a 5.6% increase compared to FY 2017 actual expenditures of \$4.0 million.

### **Library for the Blind (350605)**

This line item provides funding for the Ohio Library for the Blind and Physically Disabled at the Cleveland Public Library to operate the statewide Talking Book Program. Under the budget, this line item is funded through a \$1.3 million transfer from the Public Library Fund (Fund 7065) to the Library for the Blind Fund (Fund 5GB0). The appropriation level represents flat funding from the previous biennium.

### **LSTA Federal (350601)**

The State Library uses moneys received from the Institute of Museum and Library Services (IMLS) under the federal Library Services and Technology Act (LSTA) for a variety of eligible activities.

A majority of the funds will be used to fund services to Ohio library communities, including the bulk of support for consultant services as well as a large part of the operating costs for the Serving Every Ohioan Library Center. It is also being directed to other statewide initiatives, including access to electronic databases and materials. A provision in the budget requires the State Library to strengthen the online education resources of the Ohio Digital Library to provide more accessible job training materials to adult learners by June 30, 2019. The State Library plans to use LSTA funds to purchase such materials. In conjunction with this provision, the budget permits the Governor's Office of Workforce Transformation and the Ohio Library Council, a statewide professional association for public libraries, to, no later than June 30, 2019, develop a brand for public libraries as "continuous learning centers" that serve as hubs for information about local in-demand jobs and relevant education and job training resources.

In addition to providing services to libraries, the funds are used to provide competitive grants to local libraries for technological innovation, electronic linkages, and services to underserved populations. Special grants are also available to school libraries for automation projects and for local libraries to provide services to persons with disabilities. The LSTA state matching requirement is 34%, which is met through partial expenditures from line items 350502, 350604, and 350605 that qualify under the LSTA guidelines. LSTA matching funds are also obtained from sub-grantee projects. A small portion of LSTA grant funding is used to support the Ohio Library for the Blind and Physically Handicapped Program that receives state funds through line item

350605, Library for the Blind. Overall, the budget appropriates \$5.35 million per year for this line item, a 0.7% increase from FY 2017 actual spending of \$5.31 million.

## Category 2: Ohio Public Library Information Network

This category includes one line item that provides support for the Ohio Public Library Information Network (OPLIN).

Appropriations for OPLIN				
Fund	ALI and Name		FY 2018	FY 2019
<b>Dedicated Purpose Fund Group</b>				
4S40	350604	Ohio Public Library Information Network	\$5,689,788	\$5,689,788
<i>Dedicated Purpose Fund Group Subtotal</i>			<b>\$5,689,788</b>	<b>\$5,689,788</b>
<b>Total Funding: OPLIN</b>			<b>\$5,689,788</b>	<b>\$5,689,788</b>

### Ohio Public Library Information Network (350604)

This line item supports the operations, including payroll for five staff, of the Ohio Public Library Information Network. OPLIN is a statewide network that provides public libraries with free broadband Internet access, information and research database subscriptions, and access to Ohio-specific content. Funds in this line item support the administration of OPLIN as well as the equipment and maintenance needed to operate the network. OPLIN is governed by an 11-member board appointed by the State Library Board and exists as an independent entity within the State Library of Ohio.

OPLIN is primarily funded by transfers of \$3.7 million in each fiscal year from the Public Library Fund (Fund 7065) to the OPLIN Technology Fund (Fund 4S40). Fund 4S40 also receives revenue through e-Rate reimbursements and fees paid by libraries for specific OPLIN services. The appropriation level represents a 5.6% increase from FY 2017 actual expenditures of \$5.4 million.

LIB.docx/th

# FY 2018 - FY 2019 Final Appropriation Amounts

# All Fund Groups

## Line Item Detail by Agency

			FY 2016	FY 2017	Appropriation FY 2018	FY 2017 to FY 2018 % Change	Appropriation FY 2019	FY 2018 to FY 2019 % Change
<b>Report For Main Operating Appropriations Bill</b>			<b>Version: As Enacted</b>					
<b>LIB State Library Board</b>								
GRF	350321	Operating Expenses	\$ 5,284,603	\$ 5,072,916	\$ 4,500,000	-11.29%	\$ 4,500,000	0.00%
GRF	350401	Ohioana Library Association	\$ 119,589	\$ 119,813	\$ 295,114	146.31%	\$ 300,114	1.69%
GRF	350502	Regional Library Systems	\$ 582,469	\$ 582,469	\$ 500,000	-14.16%	\$ 500,000	0.00%
<b>General Revenue Fund Total</b>			<b>\$ 5,986,660</b>	<b>\$ 5,775,198</b>	<b>\$ 5,295,114</b>	<b>-8.31%</b>	<b>\$ 5,300,114</b>	<b>0.09%</b>
4590	350603	Services for Libraries	\$ 3,607,621	\$ 3,969,828	\$ 4,190,834	5.57%	\$ 4,190,834	0.00%
4S40	350604	Ohio Public Library Information Network	\$ 4,469,968	\$ 5,387,629	\$ 5,689,788	5.61%	\$ 5,689,788	0.00%
5GB0	350605	Library for the Blind	\$ 1,274,194	\$ 1,274,194	\$ 1,274,194	0.00%	\$ 1,274,194	0.00%
<b>Dedicated Purpose Fund Group Total</b>			<b>\$ 9,351,784</b>	<b>\$ 10,631,650</b>	<b>\$ 11,154,816</b>	<b>4.92%</b>	<b>\$ 11,154,816</b>	<b>0.00%</b>
1390	350602	Services for State Agencies	\$0	\$ 1,057	\$ 8,000	657.05%	\$ 8,000	0.00%
<b>Internal Service Activity Fund Group Total</b>			<b>\$0</b>	<b>\$ 1,057</b>	<b>\$ 8,000</b>	<b>657.05%</b>	<b>\$ 8,000</b>	<b>0.00%</b>
3130	350601	LSTA Federal	\$ 4,859,824	\$ 5,313,848	\$ 5,350,000	0.68%	\$ 5,350,000	0.00%
<b>Federal Fund Group Total</b>			<b>\$ 4,859,824</b>	<b>\$ 5,313,848</b>	<b>\$ 5,350,000</b>	<b>0.68%</b>	<b>\$ 5,350,000</b>	<b>0.00%</b>
<b>State Library Board Total</b>			<b>\$ 20,198,268</b>	<b>\$ 21,721,753</b>	<b>\$ 21,807,930</b>	<b>0.40%</b>	<b>\$ 21,812,930</b>	<b>0.02%</b>