

MINUTES OF THE MEETING
INSTITUTIONS AND CULTURAL EDUCATION SUBCOMMITTEE
50TH LEGISLATIVE SESSION
HOUSE OF REPRESENTATIVES

February 5, 1987

The twenty-second meeting of the Institutions and Cultural Education Subcommittee was called to order at the Montana State Library Conference Room on February 5, 1987 by Chairman Miller at 8:04 a.m.

ROLL CALL: All members were present as were Keith Wolcott, Senior Analyst for the Legislative Fiscal Analyst (LFA); Alice Omang, secretary, George Harris of the Office of Budget and Program Planning (OBPP); Sara Parker, State Librarian, and various other guests.

EXECUTIVE SESSION:

Montana Arts Council: Tape: 22-1-A:010)

Mr. Wolcott distributed exhibits 1 and 2 to the committee and gave an outline of the issues contained in these handouts.

(80) Senator Bengtson noted that the audit report indicated that it was illegal to do what they were doing as far as contracted services were concerned and they really do not have a lot of choice except to go along with the executive's figures. She moved on personal services that they ACCEPT the executive's recommendation for 7.47 FTEs (full-time equivalent employee) rather than having the contracted services. The motion CARRIED unanimously.

Senator Bengtson moved that they APPLY 0% vacancy savings being there are less than twenty employees. The motion CARRIED unanimously.

Senator Bengtson moved that they ACCEPT the executive's recommendation on operating expenses, which takes out \$2,645 on travel. The motion CARRIED unanimously.

Senator Bengtson moved that they ACCEPT the LFA's recommendation and use \$15,000 more in federal funds for the funding. The motion PASSED unanimously.

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Senator Bengtson moved that they take the \$23,531 and the \$22,607 out of the operating expense and move them to the grants in both years of the biennium. The motion CARRIED unanimously.

There was some question about these funds and Brenda Schye, representing the Montana Cultural Advocacy, clarified that the Long Range Planning Subcommittee did not consider these to be unallocated funds, but this is a revenue estimate of how much money there will be to allocate to the cultural and aesthetics grants - they were grants that they wanted to fund, but did not have enough money to fund so they felt \$35,000 was a responsible cushion to leave in the event the revenue estimate turns out to be too high, so this is not money that they consider to be just sitting there.

Montana State Library: (225)

Ms. Parker advised that the Commission is a board of seven people, five of whom are appointed by the Governor, one is a member of the academic libraries, who is appointed by the Commissioner of Higher Education; and the Superintendent of Public Instruction either serves himself or appoints a designee. She informed the committee of the various duties and functions that are performed by the State Library.

She distributed to the committee exhibit 3, and touched on the issues of the decline in the coal severance tax revenue and the interlibrary loan fees, which are to be charged by the University System libraries.

(490) Mr. Harris reviewed the OBPP budget as per exhibit 4, pages S-99 through S-103.

(650) Mr. Wolcott gave an overview of this budget as per exhibit 5, pages E-97 through E-115. He explained to the committee the difference between the LFA budget and the OBPP budget as per exhibits 6, 7, 8, 9 and 10.

Tape: 21-1-B:170 Mary Hudspeth, Chairman of the Library Commission, stated that the decline in the coal severance tax is a real concern to all of them, which

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means less books, less services, less reference backup, less interlibrary loan, etc. She noted to the federations, who are funded with coal severance tax, this means eliminating many services and cutting back on others.

She read a letter to the committee from Deborah Schlesinger, who is the legislative chair for the Montana Library Association. See exhibit 11.

(255) Sharon Cromeenes, a low-vision person and a patron of the Library, and Program Coordinator for the Montana Lion's Club Low Vision Clinics, said that it has been his observation that when any level of government finds itself in a bind, it is so easy to turn a lethal eye to the library budget and this has been a mystery to him because the tool of knowledge is the most important tool; there is.

(330) Janet Ellis, representing the Montana Audubon Legislative Fund, gave testimony in support of the Library as per exhibit 12.

(345) Larry Wineberg, representing the Montana University System, testified that at the last session of the legislature in 1985, they funded the programs at a level whereby they could actually function and they now have two programs that are up and running that are considered outstanding programs in the western United States.

Phyllis Honka, a blind person, advised that she lost her vision after attending public school and she is very grateful that there is the State Library, where she can get services for the blind. She offered her testimony as per exhibit 13.

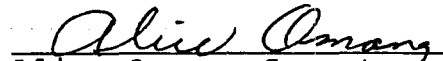
Lois Fitzpatrick, Carroll College Library Director, stated that the academic libraries do use the State Library for reference referral, for purchasing agreements and for general information and she urged the committee to be kind to their budget.

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Brenda Schye, representing the Montana Cultural Advocacy, offered testimony in support of this program. See exhibit 14.

ADJOURNMENT: There being no further business, the meeting adjourned at 9:50 a.m.


REPRESENTATIVE MILLER, Chairman


Alice Omang, Secretary

INSTITUTIONS AND CULTURAL EDUCATION SUB COMMITTEE

Date February 5, 1987

CS-30

EXHIBIT 1
2/5/89
K. WOOLCOFF
MT. Arts Council

AGENCY: MONTANA ARTS COUNCIL

LEGISLATIVE ACTION

PROGRAM: CONSOLIDATED PROGRAMS

BUDGET ITEM	FY 1986 Actual	Fiscal 1988		Fiscal 1989		FY 86-88 % Change
		Executive	Difference	Current Level	Difference	
FTE	4.00	7.47	3.47	4.00	3.47	0.00
Personal Services	\$102,470	\$186,022	\$78,344	\$107,611	\$78,241	0.05
Operating Expenses	\$292,797	\$201,179	(\$62,435)	\$252,850	(\$62,383)	-0.10
Equipment	\$1,545	\$0	\$0	\$0	\$0	-1.00
Non-Operating	\$670,167	\$132,052	(\$538,114)	\$670,166	(\$532,070)	-0.00
TOTAL EXPENSES	\$1,066,979	\$519,253	(\$522,205)	\$1,030,627	(\$516,212)	-0.02
		=====	=====	=====	=====	=====
FUNDING						
General Fund	\$118,706	\$117,403	\$2,855	\$94,496	\$18,089	-0.04
State Special Rev	\$530,718	\$0	(\$525,062)	\$534,755	(\$534,755)	-0.01
Federal Revenue	\$417,555	\$401,850	\$0	\$401,377	\$453	-0.04
TOTAL FUNDING	\$1,066,979	\$519,253	(\$522,207)	\$1,030,628	(\$516,213)	-0.02
		=====	=====	=====	=====	=====

Personal Services

- The executive has added 3.47 FTE costing \$76,775 in fiscal 1988 and \$76,507 in fiscal 1989 that are not in the LFA current level. See issue #1, pages E-73 and E-75 of the Budget Analysis.
- The executive has applied a 4 percent vacancy savings while the LFA current level has applied -0- vacancy savings. The difference is \$7,751 in fiscal 1988 and \$7,744 in fiscal 1989.

Operating Costs

- The executive has reduced contracted services \$58,357 in fiscal 1988 and \$58,321 in fiscal 1989 after converting contract employees to FTE. These costs remain in the LFA current level.
- The executive reduced out-of-state travel \$2,648 each year that remains in the LFA current level.

Funding

- The LFA funds operations of this program using \$15,318 more federal funds in fiscal 1989 than the executive. This reduces the LFA general fund a corresponding amount.

EX-117
2/5/87
K. Wolcott
MT. Arts Council

OFFICE OF BUDGET & PROGRAM PLANNING
EXECUTIVE BUDGET SYSTEM
AGENCY/PROGRAM/CONTROL --- BUDGET WORKSHEET

REPORT EBSR106
DATE : 01/05/87
TIME : 14/33/33

AGENCY : 5114 MONTANA ARTS COUNCIL
PROGRAM : 00 MONTANA ARTS COUNCIL
CONTROL : 00000

AE/OE	DESCRIPTION	OBPP FY 88	LFA FY 88	DIFF FY 88	FY 88	OBPP FY 89	LFA FY 89	DIFF FY 89	CURRENT LEVEL SERVICES ONLY REDUCE FOR CULT. & AESTH.	FY 89
0000	FULL TIME EQUIVALENT (FTE)	7.47	4.00	3.47	—	7.47	4.00	3.47	—	—
1100	SALARIES	159,211	89,037	70,174	—	158,734	88,803	69,931	—	15,147
1400	EMPLOYEE BENEFITS	23,522	13,121	10,401	—	23,822	13,288	10,534	—	2,244
1500	HEALTH INSURANCE	11,040	5,520	5,520	—	11,040	5,520	5,520	—	860
1600	VACANCY SAVINGS	-7,751	—	-7,751	—	-7,744	—	-7,744	—	—
	TOTAL SECOND LEVEL	186,022	107,678	78,344	—	185,852	107,611	78,241	—	18,301

2021	CONTRACTED SERVICES-INFLATION	-7	—	7	—	—	-12	12	—	—
2022	SUPPLIES & MATERIALS-INFLATION	78	81	-3	—	128	134	-6	—	—
2023	COMMUNICATIONS-INFLATION	39	39	—	—	59	59	—	—	—
2100	CONTRACTED SERVICES	124,383	105,702	-61,319	—	113,577	174,872	-61,295	—	48
2200	SUPPLIES & MATERIALS	28,650	26,363	2,295	—	28,658	26,361	2,297	—	190
2300	COMMUNICATIONS	13,233	13,664	-431	—	13,233	13,664	-431	—	923
2400	TRAVEL	18,070	20,715	-2,645	—	18,094	20,715	-2,621	—	1,325
2500	RENT	12,381	12,396	-15	—	12,381	12,396	-15	—	916
2700	REPAIR & MAINTENANCE	1,439	1,454	-20	—	1,439	1,454	-20	—	51
2800	OTHER EXPENSES	2,898	3,202	-304	—	2,898	3,202	-304	—	563
	TOTAL SECOND LEVEL	201,179	263,614	-62,435	—	190,467	252,850	62,383	—	4,306

6000	GRANTS	132,052	—	132,052	—	138,096	—	138,096	—	—
6100	FROM STATE SOURCES	—	528,422	-528,422	—	—	538,117	-538,117	—	—
6200	FROM FEDERAL SOURCES	—	141,744	-141,744	—	—	132,049	-132,049	—	—
	TOTAL SECOND LEVEL	132,052	670,166	-538,114	—	138,096	670,166	-532,070	—	—
	TOTAL PROGRAM	519,253	1041,458	522,202	—	514,415	1030,627	-516,212	—	22,607

01100	GENERAL FUND	117,403	114,548	2,855	—	112,585	94,496	18,089	—	—
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K.W. ①

REPORT EBSR106
DATE : 01/05/87
TIME : 14/33/33

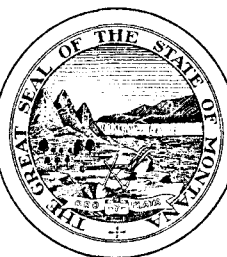
OFFICE OF BUDGET & PROGRAM PLANNING
EXECUTIVE BUDGET SYSTEM
AGENCY/PROGRAM/CONTROL --- BUDGET WORKSHEET

AGENCY : 5114 MONTANA ARTS COUNCIL
PROGRAM : 00 MONTANA ARTS COUNCIL
CONTROL : 00000

AE/OE	DESCRIPTION	ORPP FY 88	LFA FY 88 525,062 543,639	DIFF FY 88 -525,062 -543,639	REDUCE FOR CULT. & AESTH. FY 88	OBPP FY 89	LFA FY 89 534,755 553,334	DIFF FY 89 -534,755 -553,334	CURRENT LEVEL SERVICES ONLY PEOPLE FOR CULT. & AESTH. FY 89
02009	CULTURAL AND AESTHETIC PROJECT								
03015	MAC COMMUNITY MATCH	69,450	69,450			69,450	69,450		
03016	MAC ADMINISTRATION & PROGRAMS	220,348	207,296	13,052	23,531	214,284	216,516	-2,232	22,607
03017	MAC GRANTS	112,052	125,104	-13,052		118,096	115,411	2,685	
	TOTAL PROGRAM	519,253	1041458	-522,202	23,531	514,415	1,030,627	-516,212	22,607

EXHIBIT 3
2/5/87
Sara Parker

MONTANA STATE LIBRARY



TED SCHWINDEN, GOVERNOR

1515 E. 6TH AVENUE

STATE OF MONTANA

(406) 444-3115

HELENA, MONTANA 59620

ISSUES FOR CONSIDERATION BY THE INSTITUTIONS AND CULTURAL EDUCATION JOINT SUBCOMMITTEE

Submitted by the
Montana State Library Commission

1. Decline in coal severance tax revenues

For the past five years, the State Library has received coal severance tax revenues which have averaged between \$400,000 and \$450,000. Projections for FY 1987 are approximately \$332,000. The Governor's Budget Office and Legislative Fiscal Analyst supply different estimates of coal severance tax revenues for FY '88 and FY '89. It appears from these estimates library services may lose somewhere between \$100,000 and \$200,000 per year. The impact of this loss of revenue has its strongest impact on the library services provided to local libraries through federations. The Legislature is also considering bills which reduce the rate of the coal severance tax or affect the earmarked accounts. If coal tax revenues received by the Commission suffer further losses, the federal maintenance of effort may not be met.

Request - Committee members give consideration to replacing lost coal severance tax revenues whenever possible.

2. Interlibrary loan fees to be charged by the University System libraries

The Montana State Library provides some partial reimbursement to Montana State University and the University of Montana libraries for their providing interlibrary loan service to people throughout the state. As the University System has its funds reduced, the librarians are having to cut library services. The Commissioner's Office has prepared a fee policy which would allow the University libraries to charge \$10 per interlibrary loan to residents of Montana. This fee structure would seriously handicap people who live in rural areas and would especially impact small business and those people coping with life crises because of the economic climate. If the University System begins to charge fees for interlibrary loan, most libraries in Montana will also be forced to charge fees. The Commission has requested the Council of Presidents not to recommend fees to the Board of Regents until the Legislature has a chance to consider this issue. Better reimbursement through the State Library budget would keep the University System from having to charge these fees.

Request - The Committee approve an additional \$20,000 for the biennium for reimbursement to the University System.

Sara Parker

(7)

3. Increased cost for the Western Library Network (WLN)

In July, 1987, WLN radically changed its pricing structure. It lowered the cost of cataloging materials and increased the cost of making an online inquiry. Our communication increases which affect WLN cost are as follows:

The State Library has been forced to give up one of the two WLN computer terminals to meet this increased cost. Even by reducing the WLN service to one terminal, our monthly bills are still averaging \$300 more based on five months' experience. OBPP provides an additional \$6,425 for the biennium to meet these increased costs; the LFA analysis reduces the WLN program because of decline in coal severance tax revenues.

Request - The Committee approve the \$6,425 recommended by the OBPP for WLN services.

4. State library Commission per diem

Prior to the FY '85 biennium, the State Library Commission had been prohibited by law for a per diem for meetings. HB 394, passed by the 49th Legislature, authorized \$50 per day per diem to the State Library Commission for business and library-related meetings. The Legislature did not appropriate any additional funds for the FY '87 biennium to cover payment of that per diem. Both OBPP and LFA have provided the funds from current level, which has the effect of reducing General Fund to other services. The State Library needs an additional \$6,000 for the biennium to compensate for the lack of appropriation in FY '86 and FY '87 and to restore the true current level.

Request - Committee approve an additional \$6,000 in General Fund for the biennium to provide Commission per diem.

5. The need for flexibility to transfer federal funds between years of the biennium.

This was approved by the Legislature for the last biennium. The projects provided by LSCA grants span across the fiscal years. Projects are sometimes completed in advance of schedule and may, on occasion, be delayed.

Request - To have language added to the Appropriations Bill.

6. The need for the Natural Resource Information System - Natural Heritage Program to be a biennial appropriation.

This was approved by the Legislature for the last biennium. The complexity of the funding sources creates the need for a biennial appropriation.

Request - To have language added to the Appropriations Bill.

Agency Summary Budget Detail Summary	Actual FY 1986	Budgeted FY 1987	Recommendation FY 1988	FY 1989
Full Time Equivalent Employees	26.60	25.50	27.50	27.50
Personal Services	588,687.86	569,239	634,364	633,846
Operating Expenses	430,316.29	301,751	401,655	381,666
Equipment	114,084.32	97,494	111,457	92,014
Grants	686,077.34	588,483	507,954	519,954
Total Agency Costs	\$1,819,165.81	\$1,556,967	\$1,655,430	\$1,627,480
General Fund	542,293.89	524,096	530,180	502,717
State Special Revenue Fund	528,390.61	423,866	427,317	416,839
Federal & Other Spec Rev Fund	748,481.31	609,005	697,933	707,924
Total Funding Costs	\$1,819,165.81	\$1,556,967	\$1,655,430	\$1,627,480
Current Level Services	1,819,165.81	1,556,967	1,602,119	1,591,856
Modified Level Services	0.00	0	53,311	35,624
Total Service Costs	\$1,819,165.81	\$1,556,967	\$1,655,430	\$1,627,480

Agency Description

As authorized in Title 22, Chapter 1, MCA, the Montana State Library is responsible for providing assistance and advice to all tax supported libraries and to citizens and local governments which may wish to establish and improve libraries. It administers all state and federal funding to public libraries throughout Montana. It administers the State Library which (a) provides information service to state government; (b) provides referral and backup service to all libraries in the state; (c) provides direct library service to all blind and physically handicapped Montana residents; (d) is responsible for distribution centers of state documents, and (e) is responsible for the Natural Resource Information System and the Natural Heritage Program under MCA 90-15-101. It also oversees the six federations of libraries and does policy development, long range planning and coordination of library service throughout the state.

Special Narrative

The total current level FTE budgeted for FY86 and FY87 for the State Library was 25.50. An additional 2.00 FTE were created for the Natural Resources/Heritage Program as authorized in HB860. This brought the Library to a total of 27.50 FTE. The FY86 actual FTE of 26.60 reflects the agency's current level of 25.50 plus 1.10 FTE utilized by the Natural Resources/Heritage Program when FTE were hired for only a portion of FY86.

In order to cover unfunded pay increases and budget reductions, a 1.00 FTE Library Clerk has been reduced from the FY88 and FY89 budget recommendation. This action provides a savings of \$14,000 each year in salary and benefits. Thus, a total of 26.50 current level FTE is recommended for FY88 and FY89.

The State Library made numerous position transfers between its programs in FY86. These actions were an effort to provide the most efficient supervision and staff coverage for the various functions of the Library in view of difficult fiscal conditions.

This transferring of positions accounts for the various levels of program FTE reflected in FY86. Overall, the Library remained within its authorized level of positions.

- ✗ The State Library's recommended general fund decreases from the current level by 2.2% in FY88 and 7.3% in FY89. The major factors accounting for the decrease is the reduction of 1.00 FTE from personal services, the elimination of the Butte Film Service contract and other base adjustments to cover unfunded pay increases and budget reductions. There is a greater decline in general fund in FY89 because FY88 includes biennial audit fees.

The decrease in the state special revenue is primarily attributable to the Revenue Estimating Advisory Council (REAC) estimated decline of coal tax revenues. There is less of a decrease of state special revenue in FY89 because a greater portion of coal tax funds for Library Development is estimated by REAC in FY89 than FY88. The distribution of coal tax revenues is an important issue to the Library community. The decline in these revenues is \$126,271 in FY88 and \$114,271 in FY89 less than the Library requested. The impact is that fewer dollars will be distributed to the library federations for library service.

The State Library estimates that the Library Service and Construction Act (LSCA) funds will be \$649,622 in FY88 and \$649,663 in FY89. This is a 6.2% increase of those federal funds which are used throughout the programs of the State Library, and for grants to local libraries.

REFERENCE & INFORMATION SER.
Budget Detail Summary

	Actual FY 1986	Budgeted FY 1987	Recommendation FY 1988 FY 1989	
Full Time Equivalent Employees	6.58	6.50	5.00	5.00
Personal Services	155,799.76	129,759	115,425	115,278
Operating Expenses	137,975.71	152,053	144,996	148,958
Equipment	83,860.24	85,691	82,465	82,465
Total Program Costs	\$377,635.71	\$367,503	\$342,886	\$346,701
General Fund	269,310.01	251,813	213,354	219,688
State Special Revenue Fund	19,045.28	21,874	25,389	22,870
Federal & Other Spec Rev Fund	89,280.42	93,816	104,143	104,143
Total Funding Costs	\$377,635.71	\$367,503	\$342,886	\$346,701
Current Level Services	377,635.71	367,503	342,886	346,701
Total Service Costs	\$377,635.71	\$367,503	\$342,886	\$346,701

Program Description

Under MCA 22-1-103(2)(4)(7), the Reference and Information Services program provides staff, services and collections of materials to make available information service for all state agencies and state employees. It also provides referral and backup services for all libraries within the state. The collections of materials provide an information base for state government and special items which local libraries are not able to provide. Services include interlibrary loan for all state employees, database searching for both state employees and citizens in Montana, circulation and collection development.

Budget Issues

There are 5.00 current level FTE recommended for the Reference and Information Program. A 4% vacancy savings factor has been applied.

The recommended level of operations increases by \$7,000 over the current level. A current level adjustment for a price increase in Western Library Network charges for system usage accounts for \$6,425 of the increase. The remainder of the increase is in Department of Administration rent charges.

There is \$82,465 recommended each year for the purchase of books.

The Miscellaneous Reimbursement funds in the 1987 biennium are recorded as administrative funds in the Administration Program in the 1989 biennium.

LIBRARY DEVELOPMENT
Budget Detail Summary

	Actual FY 1986	Budgeted FY 1987	Recommendation FY 1988 FY 1989	
Full Time Equivalent Employees	3.54	3.00	5.00	5.00
Personal Services	70,584.16	92,223	117,392	117,195
Operating Expenses	43,687.55	33,648	47,464	42,226
Equipment	0.00	0	1,416	500
Grants	686,077.34	588,483	507,954	519,954
Total Program Costs	\$800,349.05	\$714,354	\$674,226	\$679,875
General Fund	34,657.24	36,737	60,580	60,416
State Special Revenue Fund	368,534.12	361,153	237,007	249,007
Federal & Other Spec Rev Fund	397,157.69	316,464	376,639	370,452
Total Funding Costs	\$800,349.05	\$714,354	\$674,226	\$679,875
Current Level Services	800,349.05	714,354	632,415	644,251
Modified Level Services	0.00	0	41,811	35,624
Total Service Costs	\$800,349.05	\$714,354	\$674,226	\$679,875

Program Description

Under MCA 22-1-103(1)(3)(5)(8)(9), this program provides staff and services to give assistance and advice to all tax supported libraries and to local government and citizens who wish to establish and improve libraries. It oversees the six federations of libraries throughout Montana. It provides both automation planning and links Montana with computer networks throughout the region and the nation. This includes development and coordination of library service, long range planning and public information about library services in the state.

Budget Issues

There are 4.00 FTE recommended in the current level budget for the Library Development Program. A 4% vacancy savings factor has been applied.

The discontinuation of the Butte Film Service Contract accounts for most of the reduction in the operational costs of this recommendation for current level. This \$11,572 decrease is a base adjustment to cover the unfunded pay plan and percentage budget reductions.

The reduction in grants is the result of lower estimated coal trust revenues.

Modification Request

This modification allows the State Library to receive and expend private funds from the Kellogg Foundation as part of a four state grant for information delivery to rural com-

munities. The Kellogg grant was approved for FY86 and FY87 by budget amendment. This request is recommended in order to provide for the continuation of the project in the next biennium.

It includes one FTE to conduct formal assessments of rural residents' needs for education and training programs.

FY88 \$41,811

48,500

FY89 \$35,624

48,500

INSTITUTIONAL LIB SER PROGRAM Budget Detail Summary

	Actual FY 1986	Budgeted FY 1987	Recommendation FY 1988	FY 1989
Full Time Equivalent Employees	1.25	2.00	1.25	1.25
Personal Services	32,519.27	47,064	27,506	27,484
Operating Expenses	11,946.54	9,399	11,929	11,929
Equipment	9,049.19	10,873	9,049	9,049
Total Program Costs	\$53,515.00	\$67,336	\$48,484	\$48,462
General Fund	13,022.75	20,222	6,255	6,218
Federal & Other Spec Rev Fund	40,492.25	47,114	42,229	42,244
Total Funding Costs	\$53,515.00	\$67,336	\$48,484	\$48,462
Current Level Services	53,515.00	67,336	48,484	48,462
Total Service Costs	\$53,515.00	\$67,336	\$48,484	\$48,462

Program Description

Under MCA 22-1-103(7), this program provides staff and services for library service to Montana residents who are in state care in correctional, psychiatric or other institutions. It provides a staff member and library at Montana State Hospital, Warm Springs. It provides money to purchase materials and for contracts with local public libraries to serve the Veterans' Home, Columbia Falls; Center for the Aged, Lewistown; Eastmont Human Services Center, Glendive; Pine Hills School, Miles City; and Swan River Youth Forest Camp, Swan Lake. Institutions close to Helena are served directly by the State Library. It also provides money for materials for the State Prison, Deer Lodge.

Budget Issues

There are 1.25 FTE recommended for the Institutional Library Service Program. One of these positions is responsible for the institutional library at the Montana State Hospital. The .25 FTE is one-quarter of a supervisory position.

The equipment request is for supplies and material for the libraries at the various state agencies of the Department of Institutions.

The decline in general fund is due to a reduction in FTE requested for this program.

LIB SER FOR PHYS HANDI PGM Budget Detail Summary

	Actual FY 1986	Budgeted FY 1987	Recommendation FY 1988	FY 1989
Full Time Equivalent Employees	4.88	5.00	4.75	4.75
Personal Services	102,790.73	97,939	100,636	100,668
Operating Expenses	36,865.87	39,311	35,664	36,663
Equipment	0.00	0	18,527	0
Total Program Costs	\$139,656.60	\$137,250	\$154,827	\$137,331
General Fund	54,545.07	54,041	51,095	33,566
Federal & Other Spec Rev Fund	85,111.53	83,209	103,732	103,765
Total Funding Costs	\$139,656.60	\$137,250	\$154,827	\$137,331
Current Level Services	139,656.60	137,250	154,827	137,331
Total Service Costs	\$139,656.60	\$137,250	\$154,827	\$137,331

Program Description

Under MCA 22-1-103(6), this program provides staff, services and materials for direct library service to all people in Montana who are unable to use conventional print. It administers the Talking Book Program from the Library of Congress, with both books and talking book machines.

Coordination of volunteers who work with the blind or physically handicapped is part of this program.

Budget Issues

There are 4.75 FTE budgeted for the Library Services For Physically Handicapped Program. A 4% vacancy savings factor is applied.

The operational level recommended is basically equivalent to current level operations.

There is \$18,527 recommended for a high speed cassette duplicator which Library managers consider essential to this program. This item is recommended for replacement in FY88 because of high usage of the present equipment.

ADMINISTRATION Budget Detail Summary	Actual FY 1986	Budgeted FY 1987	Recommendation	
			FY 1988	FY 1989
Full Time Equivalent Employees	4.00	4.00	4.00	4.00
Personal Services	104,221.12	101,249	110,686	110,571
Operating Expenses	42,441.02	31,696	44,551	31,108
Equipment	202.40	930	0	0
Total Program Costs	\$146,864.54	\$133,875	\$155,237	\$141,679
General Fund	109,018.49	99,158	133,476	119,918
Federal & Other Spec Rev Fund	37,846.05	34,717	21,761	21,761
Total Funding Costs	\$146,864.54	\$133,875	\$155,237	\$141,679
Current Level Services	146,864.54	133,875	155,237	141,679
Total Service Costs	\$146,864.54	\$133,875	\$155,237	\$141,679

Program Description

Under MCA 22-1-103, this program administers the State Library and administers all state and federal funds appropriated for public libraries and library services. It provides support services for the Montana State Library Commission and the Montana Library Services Advisory Council.

transfer of an accountant position into this program replacing a position of a lower grade. A 4% vacancy savings factor was applied.

There was \$1,300 in operational base adjustments to cover unfunded pay increases and budget percentage reductions. The increase in operational costs in FY'88 is primarily in biennial audit fees.

Budget Issues

The Administration Program is budgeted for 4.00 FTE. The increase in personal service costs results from the program

TECHNICAL SERVICES Budget Detail Summary	Actual FY 1986	Budgeted FY 1987	Recommendation	
			FY 1988	FY 1989
Full Time Equivalent Employees	5.25	5.00	5.50	5.50
Personal Services	96,950.07	101,005	111,269	111,275
Operating Expenses	34,279.98	35,644	33,684	33,681
Equipment	9,029.95	0	0	0
Total Program Costs	\$140,260.00	\$136,649	\$144,953	\$144,956
General Fund	61,740.33	62,125	65,420	62,911
State Special Revenue Fund	43,034.69	40,839	36,604	39,123
Federal & Other Spec Rev Fund	35,484.98	33,685	42,929	42,922
Total Funding Costs	\$140,260.00	\$136,649	\$144,953	\$144,956
Current Level Services	140,260.00	136,649	144,953	144,956
Total Service Costs	\$140,260.00	\$136,649	\$144,953	\$144,956

Program Description

Under MCA 22-1-103(4) and 22-1-211 through 22-1-214, this program provides services related to the State Library materials collections and the state documents depository center. It is responsible for the purchase, cataloging and preparation of books, periodicals and other materials. It contains a federal documents depository program and is the

program within which the state documents depository center is operated.

Budget Issues

There are 5.50 FTE budgeted for the Technical Services Program.

A 4% vacancy savings factor has been applied. The operational budget request does not deviate significantly from the current level and no equipment was requested.

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Keith Wolcott

STATE LIBRARY COMMISSION
COMPARISON OF EXECUTIVE BUDGET AND LFA CURRENT LEVEL

	FTE FY '89	General Fund	Biennium Total Funds
Executive Budget	27.50	\$1,032,897	\$3,282,910
LFA Current Level	27.50	1,077,954	3,083,697
Executive Over (Under) LFA	<u>-0.00</u>	<u>\$(-45,057)</u>	<u>\$-199,213</u>

The executive budget is \$45,057 under LFA current level general fund and \$199,213 over LFA current level in total. The following issues reflect the major differences between the executive and LFA current level.

REFERENCE AND INFORMATION

ISSUE 1: OPERATING EXPENSE

The executive operating expenses are \$18,322 above LFA current level. This difference occurs in contracted services, supplies and materials, and communications.

LIBRARY DEVELOPMENT

ISSUE 2: RURAL EDUCATION AND TRAINING MODIFIED

The executive budget adds 1.0 FTE to conduct an assessment of rural residents' needs for education and training programs. This modified, which includes operating costs, is funded at \$41,811 in fiscal 1988 and \$35,629 in fiscal 1989 by private donations. LFA current level does not include this modified request.

ISSUE 3: GRANTS

The executive budget includes \$49,782 more in grants to the library federations than LFA current level.

TECHNICAL SERVICES

ISSUE 4: PERSONAL SERVICES

The executive deleted a grade 5 library clerk I position that remains in LFA current level at a general fund cost of \$28,391 for the biennium.

ISSUE 5: OPERATING EXPENSE

The executive budget operating expenses are \$23,061 above LFA current

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level. This difference occurs in contracted services, supplies and materials, and communications.

NATURAL HERITAGE

ISSUE 6: MODIFIED REQUEST

The executive budget includes \$11,500 of federal and private revenue in fiscal 1988 to conduct an inventory of riparian habitat as part of the Montana Rivers study in the Natural Heritage Program. LFA current level does not include this modified request.

ISSUE 7: OPERATING EXPENSES

The executive budget includes \$57,600 in contracted services not included in either LFA current level or the agency budget request.

FUNDING

ISSUE 8: COAL SEVERANCE TAX

The executive budget includes \$106,960 more coal severance tax revenue than LFA current level.

ISSUE 9: NATURAL HERITAGE STATE SPECIAL REVENUE

The executive budget includes \$61,697 more state special revenue in the Natural Heritage Program than LFA current level.

ISSUE 10: KELLOGG FOUNDATION PRIVATE FUNDS

The executive budget includes \$77,435 of private funds from the Kellogg Foundation to fund a modified request to conduct an assessment of rural education and training needs. This modified is not included in LFA current level.

ISSUE 11: GENERAL FUND

The executive budget is \$45,057 under LFA current level general fund.

STATE LIBRARY COMMISSION

Budget Item	Actual	Appropriated	- - Current Level - -		% Change
	Fiscal 1986	Fiscal 1987	Fiscal 1988	Fiscal 1989	1987-89 Biennium
F.T.E.	26.60	25.50	27.50	27.50	2.00
Personal Service	\$ 588,691	\$ 569,239	\$ 623,735	\$ 623,235	7.7
Operating Expense	430,329	301,751	340,818	316,228	(10.2)
Equipment	114,084	97,494	110,041	91,514	(4.7)
Total Operating Costs	\$1,133,104	\$ 968,484	\$1,074,594	\$1,030,977	0.2
Non-Operating Costs	686,077	588,483	483,986	494,140	(23.3)
Total Expenditures	<u>\$1,819,181</u>	<u>\$1,556,967</u>	<u>\$1,558,580</u>	<u>\$1,525,117</u>	<u>(8.7)</u>
Fund Sources					
General Fund	\$ 542,298	\$ 524,096	\$ 551,839	\$ 526,115	1.1
State Special	528,391	423,866	354,119	321,380	(29.1)
Federal And Other	748,492	609,005	652,622	677,622	(2.0)
Total Funds	<u>\$1,819,181</u>	<u>\$1,556,967</u>	<u>\$1,558,580</u>	<u>\$1,525,117</u>	<u>(8.7)</u>

The Montana State Library provides direct library services to state government agencies, persons residing in state institutions, and to blind and physically handicapped residents of Montana. Indirect services are provided to all public libraries through grants to six regional library federations. The State Library serves as a partial federal depository and also collects state government publications. The library was also given statutory responsibility for the Natural Heritage Program by the Forty-Ninth Legislature through passage of House Bill 860.

Personal services increase 7.7 percent as a result of adding 2.0 FTE in the Natural Heritage Program who were budgeted in contracted services in the 1987 biennium. Operating costs decrease 10.2 percent due to a decline in coal tax revenues. Non-operating costs decrease 23.3 percent as a result of declining coal tax revenues.

Funding support for the library is provided from the general fund, an earmarked portion of the coal severance tax (0.38 percent) and federal funding available under the Library Services and Construction Act (LSCA). Funding for the Natural Heritage Program in the 1987 biennium was provided by state special revenue funds from the Department of Fish, Wildlife and Parks license fees, private funds from the Nature Conservancy, and a House Bill 922 appropriation of a grant from the Department of Natural Resources and Conservation Resource Indemnity Trust interest income.

The library is functionally divided into seven programs: Reference and Information, Library Development, Institutional Services, Handicapped Services,

Administration, Technical Services, and the Natural Heritage Program. Each program will be discussed in the narrative that follows. Table 1 compares the fiscal 1986 authorized and actual FTE to the 1989 biennium current level by program.

Table 1
Fiscal 1986 Authorized and Actual FTE Comparison to
1989 Biennium by Program

Program	----- Fiscal 1986 -----		----- 1989 Biennium -----	
	Authorized	Actual	FY 1988	FY 1989
Reference and Information	6.50	6.58	5.00	5.00
Library Development	3.00	3.54	4.00	4.00
Institutional Library	2.00	1.25	1.25	1.25
Services for Handicapped	5.00	4.88	4.75	4.75
Administration	4.00	4.00	4.00	4.00
Technical Services	5.00	5.25	6.50	6.50
Natural Heritage	0.00	1.10	2.00	2.00
Total Agency	25.50 =====	26.60 =====	27.50 =====	27.50 =====

The library has realigned the FTE complement among the programs with a net increase in the fiscal 1986 actual over authorized of 1.10 FTE. These additional FTE are in the Natural Heritage Program. The cost of these new positions was budgeted in fiscal 1986 in contracted services. The library has requested 2 FTE for the Natural Resources Information System in the 1989 biennium for a 0.9 FTE increase. There were numerous changes in the type and number of FTE in the other programs but in the overall analysis it has no significant budget impact.

Table 2 compares the library's funding by program for fiscal years 1986, 1988, and 1989.

Table 2
State Library Funding Comparison
Fiscal Years 1986, 1988, and 1989

	Ref. & Info.	Library Develop.	Instit. Program	Services for Handicap.	Admin. Prog.	Technical Services	Natural Heritage	Total
General Fund								
Fiscal 1986	\$269,311	\$ 34,658	\$13,025	\$54,544	\$109,021	\$ 61,739		\$ 542,298
Fiscal 1988	214,273	65,334	3,496	52,982	133,730	82,024		551,839
Fiscal 1989	219,724	65,195	3,457	35,315	120,406	82,018		526,115
State Special Coal Tax								
Fiscal 1986	19,044	368,533				43,036		430,613
Fiscal 1988	14,483	210,121				20,864		245,469
Fiscal 1989	13,651	220,481				23,439		257,571
State Special Other								
Fiscal 1986							\$ 97,778	97,778
Fiscal 1988							108,650	108,650
Fiscal 1989							63,809	63,809
Federal LSCA								
Fiscal 1986	87,739	397,155	40,496	85,118	37,847	35,485		683,840
Fiscal 1988	104,143	334,828	42,229	103,732	21,761	42,989		649,622
Fiscal 1989	104,143	334,787	42,244	103,765	21,761	42,922		649,622
Other								
Fiscal 1986	1,543				-0-		63,109	64,652
Fiscal 1988	-0-				3,000		-0-	3,000
Fiscal 1989	-0-	-0-	-0-	-0-	3,000	-0-	25,000	28,000
Total Funds								
Fiscal 1986	\$377,637	\$800,346	\$53,521	\$139,662	\$146,868	\$140,260	\$160,887	\$1,819,181
Fiscal 1988	\$332,899	\$610,283	\$45,725	\$156,714	\$158,491	\$145,818	\$108,650	\$1,558,580
Fiscal 1989	\$337,518	\$620,463	\$45,701	\$139,080	\$145,167	\$148,379	\$ 88,809	\$1,525,117

General fund for the agency in total increases 1.1 percent. Coal severance tax decreases dramatically as coal prices and production decline. Current revenue projections by the Office of the Legislative Fiscal Analyst estimate coal severance tax available for the State Library at \$245,469 in fiscal 1988 and \$257,571 in fiscal 1989. LSCA funds requested for the entire agency decrease from fiscal 1986 to fiscal 1988, but increase approximately 1 percent over the biennium.

REFERENCE AND INFORMATION

Budget Item	Actual	Appropriated	- - Current Level - -		% Change 1987-89 Biennium
	Fiscal 1986	Fiscal 1987	Fiscal 1988	Fiscal 1989	
F.T.E.	6.58	6.50	5.00	5.00	1.50
Personal Service	\$155,802	\$129,759	\$115,017	\$114,868	(19.5)
Operating Expense	137,975	152,053	135,417	140,185	(5.0)
Equipment	83,860	85,691	82,465	82,465	(2.7)
Total Expenditures	\$377,637 =====	\$367,503 =====	\$332,899 =====	\$337,518 =====	(10.0) =====
<u>Fund Sources</u>					
General Fund	\$269,311	\$251,813	\$214,273	\$219,724	(16.7)
State Special	19,044	21,874	14,483	13,651	(31.2)
Federal Revenue	89,282	93,816	104,143	104,143	13.8
Total Funds	\$377,637 =====	\$367,503 =====	\$332,899 =====	\$337,518 =====	(10.0) =====

This program provides: (1) housing for Montana State Library collections other than materials for blind and physically handicapped patrons and those collections housed in state institutions; (2) identification and lending of library materials owned by the State Library; (3) answers to general reference questions for specific subject areas; (4) bibliographies of materials available in specific subject areas; and, (5) inter-library loan services. Funding is provided from the general fund and federal LSCA funds. In the 1987 biennium coal severance tax supported a portion of this program; however, due to lower coal prices and reduced production, coal tax revenue has declined sharply, reducing funds available to this program from \$19,044 in fiscal 1986 to \$14,483 in fiscal 1988 and \$13,651 in fiscal 1989.

Fiscal 1986: Comparison of Actual Expenses to the Appropriation

The following table compares fiscal 1986 actual expenditures and funding to appropriations as anticipated by the 1985 legislature.

Table 1
Comparison of the Appropriation to Actual Expenses - Fiscal 1986

Budget Item	Legislature	Actual	Difference
F.T.E.	6.50	6.58	(0.08)
Personal Service	\$149,554	\$155,802	\$(6,248)
Operating Expense	146,760	137,975	8,785
Equipment	83,195	83,860	(665)
Total Expenditures	<u>\$379,509</u>	<u>\$377,637</u>	<u>\$ 1,872</u>
Funding			
General Fund	\$268,474	\$269,311	\$ (837)
State Special	20,832	19,044	1,788
Federal Revenue	87,203	87,739	(536)
Proprietary Funds	3,000	1,543	1,457
Total Funds	<u>\$379,509</u>	<u>\$377,637</u>	<u>\$ 1,872</u>
Additions			
Program Transfer	\$ -0-	\$ 10,018	\$(10,018)

The program overspent personal service by \$6,248 from not realizing vacancy savings budgeted at \$3,027 and not allocating pay plan to this program. There were operating savings of \$8,785 after the Governor's cut of \$6,093. The savings were primarily in contracted services data processing due to dropping one on-line terminal. The program overexpended their equipment budget by \$665.

The program transferred \$9,328 of general fund and \$4,390 federal funds in from other programs and subsequently transferred \$1,900 general fund and \$1,800 federal funds out to other programs for a net increase of \$10,018.

Current Level Adjustments

Personal services decrease 19.5 percent after transferring 1.5 FTE to other programs.

Operating costs are included at the fiscal 1986 level less \$4,561 in fiscal 1988 and \$5,393 in fiscal 1989 due to the reduced level of coal severance tax support. The following table shows the second level coal tax funds expended in fiscal 1986 and the amounts available in the 1989 biennium.

Table 2
Coal Severance Tax Expenditure Reductions
Reference and Information Program

Expenditure	- - - Requested - - -		
	Fiscal 1986	Fiscal 1988	Fiscal 1989
Contracted Services	\$16,773	\$12,745	\$12,013
Supplies and Materials	356	290	273
Communications	1,915	1,448	1,365
Total	<u>\$19,044</u>	<u>\$14,483</u>	<u>\$13,651</u>

Equipment of \$82,465 is included for books in fiscal 1988 and fiscal 1989. General fund decreases 16.7 percent primarily as a result of the position transfer to the Administration Program. Coal tax funding decreases 31.2 percent for this program. Federal LSCA funds increase 13.8 percent from the 1987 biennium to the 1989 biennium, as the agency allocated available LSCA funds in greater proportion in this program while reducing the proportion in administration in their request.

LIBRARY DEVELOPMENT PROGRAM

Budget Item	Actual Fiscal 1986	Appropriated Fiscal 1987	- - Current Level - -		% Change 1987-89 Biennium
			Fiscal 1988	Fiscal 1989	
F.T.E.	3.54	3.00	4.00	4.00	1.00
Personal Service	\$ 70,584	\$ 92,223	\$ 94,375	\$ 94,214	15.8
Operating Expense	43,685	33,648	31,922	32,109	(17.2)
Total Operating Costs	\$114,269	\$125,871	\$126,297	\$126,323	5.2
Non-Operating Costs	686,077	588,483	483,986	494,140	(23.3)
Total Expenditures	<u>\$800,346</u>	<u>\$714,354</u>	<u>\$610,283</u>	<u>\$620,463</u>	<u>(18.7)</u>
Fund Sources					
General Fund	\$ 34,658	\$ 36,737	\$ 65,334	\$ 65,195	82.8
State Special	368,533	361,153	210,121	220,481	(41.0)
Federal Revenue	397,155	316,464	334,828	334,787	(6.2)
Total Funds	<u>\$800,346</u>	<u>\$714,354</u>	<u>\$610,283</u>	<u>\$620,463</u>	<u>(18.7)</u>

The Library Development program provides for administration of state and federal pass-through grants and for consultation, advice, and public information services to public libraries. Funding is provided from the general fund, coal severance tax, and federal LSCA funds.

Fiscal 1986: Comparison of Actual Expenses to the Appropriation

Table 3 compares fiscal 1986 actual expenditures and funding to appropriations as anticipated by the 1985 legislature. The program realized personal service savings of \$21,515 as a result of vacancies in each of the positions during the year. Operating expenses were overexpended \$1,665 in communications and \$1,599 in travel. Budgeted travel costs were reduced \$1,000 by the Governor's 2 percent cuts.

The program distributed \$360,672 of the \$371,541 budgeted for state grants to the six library federations which resulted in a savings of \$10,869. Federal LSCA grants were \$72,524 less than budgeted.

The general fund had savings of only \$206 after \$6,678 was transferred to other programs and \$2,000 was cut by the Governor. The coal tax funds had savings of \$10,949 in fiscal 1986 while federal funds had total savings of \$81,570. The federal funds saved may be used in fiscal 1987 as continuing authority. Language in House Bill 500 allows LSCA funds to be transferred between fiscal 1986 and 1987.

Table 3
Comparison of the Appropriation to Actual Expenses - Fiscal 1986

<u>Budget Item</u>	<u>Legislature</u>	<u>Actual</u>	<u>Difference</u>
F.T.E.	3.00	3.54	(0.54)
Personal Service	\$ 91,099	\$ 70,584	\$ 20,515
Operating Expense	<u>39,180</u>	<u>43,685</u>	<u>(4,505)</u>
Total Operating Exp.	\$130,279	\$114,269	\$ 12,010
Non-Operating Expenses			
State Sources	\$371,541	\$360,672	\$ 10,869
Federal Sources	<u>397,929</u>	<u>325,405</u>	<u>72,524</u>
Total Non-Operating Expense	\$769,470	\$686,077	\$ 83,393
Total Expenditures	<u>\$899,749</u>	<u>\$800,346</u>	<u>\$ 99,403</u>
Funding			
General Fund	\$ 41,542	\$ 34,658	\$ 6,884
State Special	379,482	368,533	10,949
Federal Revenue	<u>478,725</u>	<u>397,155</u>	<u>81,570</u>
Total Funds	<u>\$899,749</u>	<u>\$800,346</u>	<u>\$ 99,403</u>
Budget Additions			
Federal and Private	<u>\$ 81,929</u>	<u>\$ -0-</u>	<u>\$ 81,929</u>

Current Level Adjustments

Personal services increase 15.8 percent after transferring 1.0 FTE in from other programs. Additionally, a major factor affecting the increase from the 1987 biennium to the 1989 biennium is vacancy savings realized in fiscal 1986 of \$22,515.

Operating expenses decrease 17.2 percent as a result of the reduction in coal severance tax. Contracted services were reduced \$3,546, supplies and materials were reduced \$567 and communications were reduced \$2,978.

Grants from state sources were reduced \$154,724 in fiscal 1988 and \$144,550 in fiscal 1989, also due to the reduced coal severance tax. Grants from federal LSCA funds, are included at the agency request of \$278,038 in each year of the biennium. Overall grants decreases 23.3 percent from the 1987 biennium to the 1989 biennium.

General fund increases 82.8 percent from the 1987 biennium to the 1989 biennium as result of transfers made among programs. Federal LSCA funds for this program as requested decline 6.2 percent for the biennium.

INSTITUTIONAL SERVICES

<u>Budget Item</u>	<u>Actual</u>	<u>Appropriated</u>	<u>- - Current Level - -</u>		<u>% Change</u>
	<u>Fiscal</u>	<u>Fiscal</u>	<u>Fiscal</u>	<u>Fiscal</u>	
	<u>1986</u>	<u>1987</u>	<u>1988</u>	<u>1989</u>	<u>1987-89</u>
					<u>Biennium</u>
F.T.E.	1.25	2.00	1.25	1.25	(0.75)
Personal Service	\$32,521	\$47,064	\$27,560	\$27,535	(30.8)
Operating Expense	11,951	9,399	9,116	9,117	(14.6)
Equipment	9,049	10,873	9,049	9,049	(9.2)
Total Expenditures	<u>\$53,521</u>	<u>\$67,336</u>	<u>\$45,725</u>	<u>\$45,701</u>	<u>(24.4)</u>
Fund Sources					
General Fund	\$13,025	\$20,222	\$ 3,496	\$ 3,457	(79.1)
Federal Revenue	40,496	47,114	42,229	42,244	(3.6)
Total Funds	<u>\$53,521</u>	<u>\$67,336</u>	<u>\$45,725</u>	<u>\$45,701</u>	<u>(24.4)</u>

This program provides library services to residents of state institutions by contract through the nearest public library or directly from the Montana State Library. Funding for the program is provided by the general fund and federal LSCA funds.

Fiscal 1986: Comparison of Actual Expenses to the Appropriation

Table 4 compares fiscal 1986 actual expenditures and funding to appropriations as anticipated by the 1985 legislature.

Table 4
Comparison of the Appropriation to Actual Expenses - Fiscal 1986

Budget Item	Legislature	Actual	Difference
F.T.E.	2.00	1.25	(0.75)
Personal Service	\$47,044	\$32,521	\$14,523
Operating Expense	9,127	11,951	(2,824)
Equipment	10,556	9,049	1,507
Total Expenditures	<u>\$66,727</u>	<u>\$53,521</u>	<u>\$13,206</u>
Funding			
General Fund	\$19,613	\$13,025	\$ 6,588
State Special	<u>47,114</u>	<u>40,496</u>	<u>6,618</u>
Total Funds	<u>\$66,727</u>	<u>\$53,521</u>	<u>\$13,206</u>

The program realized personal service savings as a result of a vacancy at the Warm Springs library. The program spent \$2,824 more for contracted professional services than anticipated while spending \$1,507 less on equipment than authorized. The program saved \$6,588 of general fund and \$6,618 of federal funds. Of these savings, \$6,550 of general fund and \$6,592 of federal funds were transferred to other programs.

Current Level Adjustments

Personal services decrease 30.8 percent with the transfer of 0.75 FTE out to other programs and converting a grade 12 librarian to a grade 11 library technician.

Operating costs decrease 14.6 percent after reducing a one-time contracted needs assessment of \$2,846 made in fiscal 1986. Equipment is included at the fiscal 1986 actual level of \$9,049 each year of the biennium for the purchase of books and library materials for the institutions.

General fund decreases 79.1 percent primarily as a result of the reduction in personal services of 0.75 FTE. Federal funds decrease 3.6 percent.

SERVICES FOR PHYSICALLY HANDICAPPED

Budget Item	Actual	Appropriated	- - Current Level - -		% Change
	Fiscal 1986	Fiscal 1987	Fiscal 1988	Fiscal 1989	1987-89 Biennium
F.T.E.	4.88	5.00	4.75	4.75	(0.25)
Personal Service	\$102,790	\$ 97,939	\$100,689	\$100,729	0.3
Operating Expense	36,872	39,311	37,498	38,351	(0.4)
Equipment	-0-	-0-	18,527	-0-	10.0
Total Expenditures	<u>\$139,662</u>	<u>\$137,250</u>	<u>\$156,714</u>	<u>\$139,080</u>	<u>6.6</u>
Fund Sources					
General Fund	\$ 54,544	\$ 54,041	\$ 52,982	\$ 35,315	(18.7)
Federal Revenue	85,118	83,209	103,732	103,765	23.3
Total Funds	<u>\$139,662</u>	<u>\$137,250</u>	<u>\$156,714</u>	<u>\$139,080</u>	<u>6.8</u>

This program provides direct library service to blind and physically handicapped citizens through selection of recorded materials and provision of machines on which to play talking books. Funding is provided by the general fund and federal LSCA funds.

Fiscal 1986: Comparison of Actual Expenses to the Appropriation

Table 5 compares fiscal 1986 actual expenditures and funding to appropriations as anticipated by the 1985 legislature. The program spent \$2,200 more in personal services than authorized after transferring 0.12 FTE to the Institutional Program. Operating costs were \$1,143 less than authorized. Overall the program's expenditures were \$1,057 more than the budget.

Table 5
Comparison of the Appropriation to Actual Expenses - Fiscal 1986

Budget Item	Legislature	Actual	Difference
F.T.E.	5.00	4.88	0.12
Personal Service	\$100,590	\$102,790	\$(2,200)
Operating Expense	38,015	36,872	1,143
Total Expenditures	<u>\$138,605</u>	<u>\$139,662</u>	<u>\$(1,057)</u>
<u>Funding</u>			
General Fund	\$ 55,573	\$ 54,544	\$ 1,029
State Special	83,032	85,118	(2,086)
Total Funds	<u>\$138,605</u>	<u>\$139,662</u>	<u>\$(1,057)</u>
<u>Additions</u>			
Program Transfers	<u>\$ 1,324</u>	<u>\$ -0-</u>	<u>\$ 1,324</u>

The general fund for the program was \$1,029 less than authorized while federal and private funds were \$2,086 more than authorized.

The program had net program transfers-in of \$1,324 of federal funds.

Current Level Adjustments

Personal services remain about the same in the 1989 biennium even after transferring 0.25 FTE to another program. Overall, personal services increase 0.3 percent over the 1987 biennium.

Operating costs are reduced \$1,550 for one-time maintenance expenditures offset by a small amount of inflation for an overall decrease of 0.4 percent into the 1989 biennium. A high speed cassette and reel-to-reel duplicator is included in fiscal 1988 at a cost of \$18,527.

General fund decreases 18.7 percent while federal funds increase 23.3 percent in this program.

ADMINISTRATION

Budget Item	Actual	Appropriated	- - Current Level - -		% Change 1987-89 Biennium
	Fiscal 1986	Fiscal 1987	Fiscal 1988	Fiscal 1989	
F.T.E.	4.00	4.00	4.00	4.00	0.00
Personal Service	\$104,222	\$101,249	\$109,669	\$109,553	6.7
Operating Expense	42,444	31,696	48,822	35,614	13.9
Equipment	202	930	-0-	-0-	(100.0)
Total Expenditures	<u>\$146,868</u>	<u>\$133,875</u>	<u>\$158,491</u>	<u>\$145,167</u>	<u>8.2</u>
Fund Sources					
General Fund	\$109,021	\$ 99,158	\$133,730	\$120,406	22.1
Federal Revenue	37,847	34,717	24,761	24,761	(31.8)
Total Funds	<u>\$146,868</u>	<u>\$133,875</u>	<u>\$158,491</u>	<u>\$145,167</u>	<u>8.2</u>

This program provides: (1) administration of all library programs; (2) mail processing; (3) budgeting and accounting; (4) personnel administration; and (5) administration of state and federal policies and regulations. Funding is provided from the general fund and federal LSCA funds.

Fiscal 1986: Comparison of Actual Expenses to the Appropriation

The following table compares fiscal 1986 actual expenditures and funding to appropriations as anticipated by the 1985 legislature. The program overspent the budget by \$3,328 after the Governor's cuts of \$3,000. The program had transfers-in of \$3,740. The general fund made up \$3,440 of the total transfers while federal funds made up \$300.

Table 6
Comparison of the Appropriation to Actual Expenses - Fiscal 1986

<u>Budget Item</u>	<u>Legislature</u>	<u>Actual</u>	<u>Difference</u>
F.T.E.	4.00	4.00	0.00
Personal Service	\$105,415	\$104,222	\$ 1,193
Operating Expense	37,263	42,444	(5,181)
Equipment	862	202	660
Total Expenditures	<u>\$143,540</u>	<u>\$146,868</u>	<u>\$(3,328)</u>
<u>Funding</u>			
General Fund	\$105,877	\$109,021	\$(3,134)
Federal & Private	<u>37,663</u>	<u>37,847</u>	<u>(184)</u>
Total Funds	<u>\$143,550</u>	<u>\$146,868</u>	<u>\$(3,328)</u>
<u>Additions</u>			
Program Transfers	<u>\$ 3,740</u>	<u>===-0-===</u>	<u>\$ 3,740</u>

Personal service savings were \$1,193 with \$660 savings in equipment offset by overexpenditure of operating costs by \$5,181. Personal services savings were generated by turnover of the administrative officer position while contracted services were expended in excess of authorized due partly to House Bill 394, which authorized an increase in per diem for library commission members, but provided no appropriation.

General fund savings amounts to \$306 after the Governor's cuts of \$3,000 and transfers-in of \$3,440. Federal funds savings are \$116 after transfers-in of \$300.

Current Level Adjustments

Personal services increase 6.7 percent after converting a grade 12 librarian position transferred from the Reference and Information Program to a grade 14 accountant. Operating costs increase 13.9 percent as legislative audit costs increase from \$9,000 spent in fiscal 1986 to \$13,200 budgeted in fiscal 1988 and computer fees paid to the Department of Administration increase \$1,998 in fiscal 1988 and \$2,004 in fiscal 1989.

General fund support of this program increases 22.1 percent while federal funds decrease 31.8 percent. This change results from federal requirements for expenditure of LSCA funds on federally mandated library services which are more accurately placed in other programs.

LIBRARY TECHNICAL SERVICES

Budget Item	Actual	Appropriated	- - Current Level - -		% Change 1987-89 Biennium
	Fiscal 1986	Fiscal 1987	Fiscal 1988	Fiscal 1989	
F.T.E.	5.25	5.00	6.50	6.50	1.5
Personal Service	\$ 96,948	\$101,005	\$124,953	\$124,940	26.2
Operating Expense	34,282	35,644	20,865	23,439	(36.6)
Equipment	9,030	-0-	-0-	-0-	(100.0)
Total Expenditures	<u>\$140,260</u>	<u>\$136,649</u>	<u>\$145,818</u>	<u>\$148,379</u>	<u>6.2</u>
Fund Sources					
General Fund	\$ 61,739	\$ 62,125	\$ 82,024	\$ 82,018	32.4
State Special	43,036	40,839	20,865	23,439	(47.2)
Federal Revenue	35,485	33,685	42,929	42,922	24.1
Total Funds	<u>\$140,260</u>	<u>\$136,649</u>	<u>\$145,818</u>	<u>\$148,379</u>	<u>6.2</u>

The Technical Services Program provides distribution of state publications, acquisition, cataloging, and technical processing of Montana State Library and institutional library collections, and development and maintenance of the state library's participation in the Washington Library Network. Funding is provided from the general fund and federal LSCA funds.

Fiscal 1986: Comparison of Actual Expenses to the Appropriation

Table 7 compares fiscal 1986 actual expenditures and funding to appropriations as anticipated by the 1985 legislature. Personal services were overexpended \$3,432 after the program transferred 0.25 FTE of a grade 5 library clerk to the Reference and Information Program and transferred in a 0.50 FTE grade 12 librarian I. Operating costs were \$195 less than authorized due to less than anticipated communication charges.

Table 7
Comparison of the Appropriation to Actual Expenses - Fiscal 1986

<u>Budget Item</u>	<u>Legislature</u>	<u>Actual</u>	<u>Difference</u>
F.T.E.	5.00	5.25	(0.25)
Personal Service	\$ 93,516	\$ 96,948	\$(3,432)
Operating Expense	34,477	34,282	195
Equipment	8,910	9,030	(120)
Total Expenditures	<u>\$136,903</u>	<u>\$140,260</u>	<u>\$(3,357)</u>
Funding			
General Fund	\$ 58,581	\$ 61,739	\$(3,158)
State Special	47,790	43,036	4,754
Federal and Private	30,532	35,485	(4,953)
Total Funds	<u>\$136,903</u>	<u>\$140,260</u>	<u>\$(3,357)</u>

General fund expenditures were \$3,158 more than authorized until the program transferred \$3,310 in from other programs. State special coal severance tax funds are underspent by \$4,754 while federal funds are \$4,953 over the amount authorized. The program also transferred \$5,187 of federal funds in from other programs.

Current Level Adjustments

The program has transferred 0.50 FTE library clerk from the Reference and Information Program and a 1.00 FTE office clerk from the Administration Program. These transfers cause personal service costs to increase 26.2 percent from the 1987 biennium to the 1989 biennium.

Operating costs, which are entirely supported in this program by the coal severance tax, are decreased 36.6 percent as a result of the reduction in available funds.

The general fund increases 32.4 percent while federal funds increase 24.1 percent. These increases result from the transfer of FTE to this program. Coal tax funding in this program decreases 47.2 percent as available coal tax funds decline.

NATURAL RESOURCES AND HERITAGE

<u>Budget Item</u>	Actual	Appropriated	- - Current Level - -		% Change
	Fiscal 1986	Fiscal 1987	Fiscal 1988	Fiscal 1989	1987-89 Biennium
F.T.E.	1.10	0.00	2.00	2.00	2.00
Personal Service	\$ 25,824	\$ -0-	\$ 51,472	\$51,396	298.3
Operating Expense	123,120	-0-	57,178	37,413	(23.2)
Equipment	11,943	-0-	-0-	-0-	(100.0)
Total Expenditures	<u>\$160,887</u>	<u>\$ -0-</u>	<u>\$108,650</u>	<u>\$88,809</u>	<u>22.7</u>
<u>Fund Sources</u>					
State Special	\$ 97,778	\$ -0-	\$108,650	\$63,809	76.4
Federal and Other	<u>63,109</u>	<u>-0-</u>	<u>-0-</u>	<u>25,000</u>	<u>(60.4)</u>
Total Funds	<u>\$160,887</u>	<u>\$ -0-</u>	<u>\$108,650</u>	<u>\$88,809</u>	<u>22.7</u>

This program was transferred to the library from the Department of Administration by House Bill 860. House Bill 860 gave the responsibility for the Natural Heritage Program and the Natural Resource Information System (NRIS) to the library. The NRIS is a centrally located catalog, index, and referral system to existing natural resource data files and reports. This system permits government and private-sector users to readily identify the location, source, and types of information available in state agency files. The Natural Heritage Program provides a systematic inventory and evaluation of the state's natural features that are rare, endangered, or fragile. Funding for the program was provided in House Bill 922 from the state special revenue resource indemnity trust fund interest at \$225,561, grants from the Department of Fish, Wildlife and Parks state special revenue from license fees of \$75,000 and the Nature Conservancy private grants totaling \$75,140.

Fiscal 1986: Comparison of Actual Expenses to the Appropriation

The following table compares fiscal 1986 actual expenditures and funding to appropriations as anticipated by the 1985 legislature.

Table 8
Comparison of the Appropriation to Actual Expenses - Fiscal 1986

<u>Budget Item</u>	<u>Legislature</u>	<u>Actual</u>	<u>Difference</u>
F.T.E.	0.00	1.10	(1.10)
Personal Services	\$ -0-	\$ 18,844	\$(18,844)
Operating Expense	\$150,140	114,119	36,021
Equipment	-0-	5,118	(5,118)
Total Expenses	<u>\$150,140</u>	<u>\$138,081</u>	<u>\$ 12,059</u>
<u>Funding</u>			
State Special	\$ 75,000	\$ 74,972	\$ 28
Federal and Private	<u>75,140</u>	<u>63,109</u>	<u>12,031</u>
Total Funds	<u>\$150,140</u>	<u>\$138,081</u>	<u>\$ 12,059</u>
<u>Additions</u>			
Statutory Appropriation	<u>\$ 75,000</u>	<u>\$ 22,804</u>	<u>\$ 52,196</u>

The program expended \$74,972 of the Department of Fish, Wildlife, and Parks grant of \$75,000 and \$63,109 of the Nature Conservancy funds of \$75,140. The program also received \$75,000 from the Department of State Lands Office of Surface Mining for inclusion in the NRIS of which \$22,804 was expended. The program hired 1.10 FTE to work on the projects under the Natural Resources Information System (NRIS).

Current Level Adjustments

The program is included at the agency requested level which includes 1.0 FTE grade 15 program officer and a 1.0 FTE grade 9 library technician I for the NRIS. Work for the heritage project will be contracted at \$31,000 in fiscal 1988 and \$14,000 in fiscal 1989. Other costs are included at the fiscal 1986 level for both years of the biennium.

Funding is provided by unused resource indemnity trust funds of \$101,242 carried forward to fiscal 1988, and \$50,000 of Fish, Wildlife, and Parks license fees in fiscal 1989. Due to the priority list for grants from the Department of Natural Resources and Conservation, the library has not received any of the grant funds. However, the grant is for two years: therefore, the library has two years from when they receive the funds in which to spend them. Also included are carryover funds from the Department of State Lands of \$7,408 in fiscal 1988 and \$13,809 in fiscal 1989. The Nature conservancy will provide \$25,000 in fiscal 1989 to complete the funding for this program.

EXH. B 17 b
2/5/89
Keith Wokoff

AGENCY: LIBRARY COMMISSION		LEGISLATIVE ACTION						PROGRAM: MONTANA STATE LIBRARY	
BUDGET ITEM	FY 1986 Actual	Fiscal 1988		Fiscal 1989		FY 86-88 % Change			
		Executive	Difference	Executive	Difference				
FTE	25.50	24.50	-1.00	24.50	-1.00				
Personal Services	\$562,867	\$559,886	(\$12,377)	\$571,839	(\$12,359)				
Operating Expenses	\$307,209	\$300,921	\$17,281	\$278,815	\$13,617				
Equipment	\$102,675	\$110,041	\$0	\$91,514	\$0				
Non-Operating	\$686,077	\$507,954	\$23,968	\$494,140	\$25,814				
TOTAL EXPENSES	\$1,658,828	\$1,478,802	\$28,872	\$1,436,308	\$27,072				
FUNDING									
General Fund	\$542,298	\$530,180	(\$21,659)	\$526,115	(\$23,398)				
State Special Rev	\$430,613	\$299,000	\$53,531	\$257,571	\$53,429				
Federal Revenue	\$685,383	\$649,622	(\$3,000)	\$652,622	(\$2,959)				
Other Revenue	\$534	\$0	\$0	\$0	\$0				
TOTAL FUNDING	\$1,658,828	\$1,478,802	\$28,872	\$1,436,308	\$27,072				

Personal Services

1. The executive deleted a 1.0 grade 5 library clerk that remains in the LFA current level.

Operating Costs

1. The LFA decreased contracted services \$19,497 in fiscal 1988 and \$15,336 in fiscal 1989 due to lower estimated coal tax. The executive leaves these funds in.
2. The LFA current level includes the agency's request for legal fees while the executive includes \$1,283 less each year.
3. The LFA current level decreased supplies and material costs \$1,041 in fiscal 1988 and \$991 in fiscal 1989 due to lower estimated coal tax. The executive leaves these funds in.
4. The LFA current level decreased communications \$5,227 in fiscal 1987 and \$4,971 in fiscal 1988 based on lower estimated coal tax. The executive leaves these funds in.

5. The difference in rent results from a difference in methodologies calculating rent. This problem occurred in the Department of Institutions. The executive rent is the correct amount.

Grants

1. The executive decreased grants from coal tax \$130,756 in fiscal 1988 and \$118,756 in fiscal 1989 while the LFA decreased grants \$154,724 in fiscal 1988 and \$144,570 in fiscal 1989. The overall difference is \$23,968 in fiscal 1988 and \$25,814 in fiscal 1989.

Funding

1. The difference in general fund results from the executive's base adjustments for 1.0 FTE library clerk and the Butte film library.
2. The difference in coal severance tax results from lower LFA estimates of available coal severance tax funds.
3. The LFA includes \$3,000 each year for miscellaneous reimbursements that are not included in the executive.

Exhibit 7
2/5/87
Keith Wolaoff

REPORT EBSR106
DATE : 01/07/87
TIME : 15/24/40

OFFICE OF BUDGET & PROGRAM PLANNING
EXECUTIVE BUDGET SYSTEM
AGENCY/PROGRAM/CONTROL --- BUDGET WORKSHEET

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AGENCY : 5115 LIBRARY COMMISSION
PROGRAM : 07 NATURAL RESOURCES/HERITAGE
CONTROL : 00000

AE/OE	DESCRIPTION	OBPP FY 88	LFA FY 88	DIFF FY 88	SUB-CMT FY 88	OBPP FY 89	LFA FY 89	DIFF FY 89	SUB-CMT FY 89
0000	FULL TIME EQUIVALENT (FTE)	2.00	2.00			2.00	2.00		
1100	SALARIES	44,330	44,330			44,171	44,171		
1400	EMPLOYEE BENEFITS	6,504	6,504			6,584	6,584		
1500	HEALTH INSURANCE	2,760	2,760			2,760	2,760		
1600	VACANCY SAVINGS	-2,144	-2,122	-22		-2,140	-2,119	-21	
	TOTAL SECOND LEVEL	51,450	51,472	-22		51,375	51,396	-21	
2023	COMMUNICATIONS-INFLATION	2	5	-3		4	8	-4	
2100	CONTRACTED SERVICES	52,794	38,051	14,743		58,026	18,283	39,743	
2200	SUPPLIES & MATERIALS	7,915	7,905	10		7,915	7,905	10	
2300	COMMUNICATIONS	4,830	4,853	-23		4,830	4,853	-23	
2400	TRAVEL	4,442	4,480	-38		4,442	4,480	-38	
2500	RENT	1,200	1,200			1,200	1,200		
2700	REPAIR & MAINTENANCE	574	574			574	574		
2800	OTHER EXPENSES	110	110			110	110		
	TOTAL SECOND LEVEL	71,867	57,178	14,689		77,101	37,413	39,688	
	TOTAL PROGRAM	123,317	108,650	14,667		128,476	88,809	39,667	
02026	STATE FUNDS - OTHER	98,782	101,242	-2,460		50,000	50,000		
02088	DSL, OFFICE OF SURFACE MINING	24,535	7,408	17,127		55,839	13,809	42,030	
03930	HERITAGE, PRIVATE FUNDS					22,637	25,000	-2,363	
	TOTAL PROGRAM	123,317	108,650	14,667		128,476	88,809	39,667	

2/5/89
 Keith Wolcott

AGENCY: LIBRARY COMMISSION
 PROGRAM: NATURAL RESOURCES/HERITAGE
 LEGISLATIVE ACTION

BUDGET ITEM	FY 1986 Actual	Fiscal 1988		Fiscal 1989		FY 86-88 % Change
		Executive Current Level	Difference	Executive Current Level	Difference	
FTE	0.00	2.00	0.00	2.00	0.00	ERR
Personal Services	\$25,824	\$51,450		\$51,375		0.99
Operating Expenses	\$123,120	\$71,867	\$14,689	\$77,101	\$39,688	-0.54
Equipment	\$11,943	\$0	\$0	\$0	\$0	-1.00
TOTAL EXPENSES	\$160,887	\$123,317	\$14,667	\$128,476	\$39,667	-0.32
FUNDING						
State Special Rev	\$97,778	\$123,317	\$14,667	\$105,839	\$42,030	0.11
Federal Revenue	\$63,109	\$0	\$0	\$22,637	(\$2,363)	-1.00
TOTAL FUNDING	\$160,887	\$123,317	\$14,667	\$128,476	\$39,667	-0.32

Operating Expenses
 1. The executive includes \$20,603 more in contracted services in fiscal 1988 and \$42,835 more in fiscal 1989 than in the LFA current level. This difference results from new estimates from the Office of Surface Mining for funds available to the Natural Heritage Program.

Exhibit 9
2/5/87
Keith Wolcott

OFFICE OF BUDGET & PROGRAM PLANNING
EXECUTIVE BUDGET SYSTEM
AGENCY/PROGRAM/CONTROL --- BUDGET WORKSHEET

PORT EBSR106
DATE : 01/05/87
TIME : 14/33/33

AGENCY : 5115 LIBRARY COMMISSION
PROGRAM : 00 LIBRARY COMMISSION
CONTROL : 00000

E/OE	DESCRIPTION	OBPP FY 88	LFA FY 88	DIFF FY 88	SUB-CMT FY 88	OBPP FY 89	LFA FY 89	DIFF FY 89	SUB-CMT FY 89
000	FULL TIME EQUIVALENT (FTE)								
100	SALARIES	26,500 477,987 519,317	27,500 486,168 530,490	-1.00 -11,181		26,500 473,688 517,859	27,500 484,821 520,992	-1.00 -11,133	
300	OTHER COMPENSATION	3,000	3,000			3,000	3,000		
400	EMPLOYEE BENEFITS	69,346 75,050	71,421 77,925	-2,075		70,222 76,806	72,306 78,890	-2,084	
500	HEALTH INSURANCE	35,880	35,190	-690		35,880	35,190	690	
600	VACANCY SAVINGS	38,840 23,321 25,471 559,886 611,336	37,950 23,516 25,630 512,263 623,735	167 -12,377 -12,399		38,840 23,321 25,471 559,886 611,336	37,950 23,478 25,597 571,839 623,235	147 -12,359 -12,380	
	TOTAL SECOND LEVEL								
021	CONTRACTED SERVICES-INFLATION	-104	-344	240		-210	-667	457	
022	SUPPLIES & MATERIALS-INFLATION	19	52	-33		32	86	-54	
023	COMMUNICATIONS-INFLATION	58	48	10		90	73	17	
		-60	-53	-7		-04	-84	13	
025	RENT-INFLATION	105,112	10,782	-10,782		91,894	14,969	-14,969	
100	CONTRACTED SERVICES	157,906	84,188	29,924		149,920	75,134	16,760	
200	SUPPLIES & MATERIALS	16,715	12,232	35,667		8,800	43,417	58,503	
300	COMMUNICATIONS	27,545	16,137	560		16,715	8,282	518	
400	TRAVEL	32,423	23,510	4025		21,595	16,187	528	
500	RENT	29,662	28,449	4,002		28,449	23,826	3761	
600	REPAIR & MAINTENANCE	34,104	33,329	813		33,329	28,849	3746	
700	OTHER EXPENSES	121,300	118,938	775		118,938	33,329	657	
800		122,500	120,138	2,362		120,138	120,138	7,308	
		3,519	3,719	-200		3,719	3,719	-200	
900		4,093	4,293	-200		4,293	4,293	-200	
		4,960	5,606	-646		4,960	5,606	-646	
		5,070	5,716	-646		5,716	5,716	-646	
		300,421	283,640	17,201		292,432	278,815	13,617	
		372,780	340,818	31,970		369,533	346,220	23,305	
	TOTAL SECOND LEVEL								
3100	EQUIPMENT	110,041	110,041			91,514	91,514		
5000	GRANTS	507,954		507,954		519,954		519,954	
6100	FROM STATE SOURCES		205,948	-205,948			216,102	-216,102	
6200	FROM FEDERAL SOURCES		278,038	-278,038			278,038	-278,038	
			339,393	3423			392,001		

REPORT EBSR106
DATE : 01/05/87
TIME : 14/33/33

OFFICE OF BUDGET & PROGRAM PLANNING
EXECUTIVE BUDGET SYSTEM
AGENCY/PROGRAM/CONTROL --- BUDGET WORKSHEET

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AGENCY : 5115 LIBRARY COMMISSION
PROGRAM : 00 LIBRARY COMMISSION
CONTROL : 00000

AE/OE	DESCRIPTION	OBPP FY 88	LFA FY 88	DIFF FY 88	SUB-CMT FY 88	OBPP FY 89	LFA FY 89	DIFF FY 89	SUB-CMT FY 89
	TOTAL SECOND LEVEL	507,954	483,986	23,968	---	519,954	494,140	25,814	---
	TOTAL PROGRAM	1,602,119 1,478,802	1,558,580 1,449,930	43,539 28,972	---	1,591,856 1,463,380	1,525,117 1,436,306	66,739 27,072	---
01100	GENERAL FUND	530,180	551,839	-21,659	---	502,717	526,115	-23,398	---
02026	STATE FUNDS - OTHER	90,782	101,242	-2,460	---	50,000	50,000	---	---
02088	DSL, OFFICE OF SURFACE MINING	24,335	7,408	17,127	---	55,839	13,809	42,030	---
02405	STATE LIBRARY	299,000	245,469	53,531	---	311,000	257,571	53,429	---
03018	LIBRARY COMMISSION	649,622	649,622	---	---	649,663	649,622	41	---
03086	MISCELLANEOUS REIMBURSEMENTS	---	3,000	-3,000	---	---	3,000	-3,000	---
03930	HERITAGE, PRIVATE FUNDS	1,478,802	1,449,930	28,972	---	1,463,380	1,436,306	27,072	---
	TOTAL PROGRAM	1,602,119	1,558,580	43,539	---	1,591,856	1,525,117	66,739	---

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REPORT EBSR106
DATE : 01/07/87
TIME : 15/29/33

OFFICE OF BUDGET & PROGRAM PLANNING
EXECUTIVE BUDGET SYSTEM
AGENCY/PROGRAM/CONTROL --- BUDGET WORKSHEET

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AGENCY : 5115 LIBRARY COMMISSION
PROGRAM : 02 LIBRARY DEVELOPMENT
CONTROL : 20001 KELLOGG FOUNDATION GRANT

AE/OE	DESCRIPTION	OBPP FY 88	LFA FY 88	DIFF T FY 88	SUB-CMT FY 88	OBPP FY 89	LFA FY 89	DIFF FY 89	SUB-CMT FY 89
0000	FULL TIME EQUIVALENT (FTE)	1.00		1.00	---	1.00		1.00	---
1100	SALARIES	19,699		19,699	---	19,624		19,624	---
1400	EMPLOYEE BENEFITS	2,908		2,908	---	2,945		2,945	---
1500	HEALTH INSURANCE	1,380		1,380	---	1,380		1,380	---
1600	VACANCY SAVINGS	-959		-959	---	-958		-958	---
	TOTAL SECOND LEVEL	23,028		23,028	---	22,991		22,991	---
2021	CONTRACTED SERVICES-INFLATION	-8		-8	---	-17		-17	---
2100	CONTRACTED SERVICES	<u>3,740</u> 10,429		<u>3,740</u>	---	<u>2,240</u> 10,429		<u>2,240</u>	---
2200	SUPPLIES & MATERIALS	2,050		2,050	---	940		940	---
2300	COMMUNICATIONS	2,860		2,860	---	2,750		2,750	---
2400	TRAVEL	7,325		7,325	---	5,120		5,120	---
2700	REPAIR & MAINTENANCE	300		300	---	300		300	---
2800	OTHER EXPENSES	1,100		1,100	---	800		800	---
	TOTAL SECOND LEVEL	<u>17,367</u> 24,056		<u>17,367</u>	---	<u>12,133</u> 24,056		<u>12,133</u>	---
3100	EQUIPMENT	1,416		1,416	---	500		500	---
	TOTAL PROGRAM	41,811		41,811	---	35,624		35,624	---
03941	KELLOGG FOUNDATION FUNDS PRIV.	<u>41,811</u> 48,500		<u>41,811</u>	---	<u>35,624</u> 48,500		<u>35,624</u>	---
	TOTAL PROGRAM	<u>41,811</u> 48,500		<u>41,811</u>	---	<u>35,624</u> 48,500		<u>35,624</u>	---

2/21

(11)

Exhibit 11
2/5/87
Mary Hudspeth
Mt. State Library

DEBORAH SCHLESINGER
LEGISLATIVE CHAIR
MONTANA LIBRARY ASSOCIATION

MR. CHAIRMAN AND MEMBERS OF THE COMMITTEE. I AM TESTIFYING ON BEHALF OF THE STATE LIBRARY'S BUDGET.

LIBRARIES IN MONTANA ARE HURTING FROM A VARIETY OF WOUNDS. LOSS OF REVENUE SHARING; A SERIOUS DECLINE IN COAL SEVERANCE TAX REVENUES WHICH FUND FEDERATION SERVICES, LOSS OF LOCAL GOVERNMENT REVENUES WHICH THEN IMPACT SERIOUSLY ON LOCAL LIBRARY FUNDING, AND THE UNSETTLED ECONOMIC CONDITIONS ACROSS THE STATE. MONTANA'S LIBRARIES ARE ALWAYS HARD HIT BY BAD ECONOMIC CONDITIONS.

THE MONTANA LIBRARY ASSOCIATION ALSO HAS ADOPTED THE POSITION THAT LIBRARY SERVICE AND CONSTRUCTION ACT MONIES AND COAL SEVERANCE TAX MONIES SHOULD BE PASS THROUGH CONTRACTS TO LIBRARIES. WE URGE YOU TO KEEP THE OPERATION OF THE STATE LIBRARY IN THE GENERAL FUND.

THE MONTANA LIBRARY ASSOCIATION IS ALSO CONCERNED THAT THE STATE LIBRARY BUDGET CONTINUE TO BE ABLE TO SHOW MAINTENANCE OF EFFORT TO KEEP RECEIVING FEDERAL FUNDS.

THE STATE LIBRARY IS IMPORTANT TO THE CITIZENS OF MONTANA. WE URGE YOUR CONTINUED STRONG SUPPORT.

Exhibit 11
2/5/87
Many Hudspeth
Mt. State Library

DEBORAH SCHLESINGER
LEGISLATIVE CHAIR
MONTANA LIBRARY ASSOCIATION

MR. CHAIRMAN AND MEMBERS OF THE COMMITTEE. I AM TESTIFYING ON
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LIBRARY IN THE GENERAL FUND.

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TO KEEP RECEIVING FEDERAL FUNDS.

THE STATE LIBRARY IS IMPORTANT TO THE CITIZENS OF MONTANA. WE
URGE YOUR CONTINUED STRONG SUPPORT.

Montana
Audubon Legislative Fund

Exhibit 12
2/5/87
State Library
Janet Ellis

Testimony in support of the Montana Natural Resource Information System and Natural Heritage System.

February 4, 1987

Mr. Chairman and Members of the Committee,

My name is Janet Ellis and I'm here today representing the Montana Audubon Legislative Fund. The Audubon Fund represents 2500 National Audubon Society members in nine chapters that are located around the state.

The Audubon Fund would like to express its support of the State Library's Natural Resource Information System and Natural Heritage System. These programs provide readily accessible information on Montana's natural resources and identify significant natural features in the state. Information on natural resources is gathered through a careful review of existing data collected by state and private agencies. This program establishes a centralized catalog and index to that information. Also, a statewide inventory of unique and significant natural features in Montana is being gathered.

Development and protection of Montana's natural resources, including minerals, forests, water, agriculture and wildlife, requires planning. The Heritage-NRIS program helps the developer develop and the planner plan - at a savings to both. It's a planning tool that will allow Montana to continue to grow without losing the best of what we have. The quality information gathered by this program is outstanding and the method used to store it is efficient, economical and useful to business, industry, government agencies, and citizens groups. This is a state program with a broad base of support from many Montanans.

EXHIBIT 14
2/5/87
Mt. State Library
Brenda Schye

STATE LIBRARY COMMISSION BUDGET

February 5, 1987

Testimony to the Institutions and Cultural Education Subcommittee

by

Brenda Schye

MONTANA CULTURAL ADVOCACY

Chairman Miller, Members of the Committee: I am Brenda Schye, and I represent the Montana Cultural Advocacy, which is a broad cross section of Montanans who are committed to the development of our state's cultural resources.

Libraries exist so that experiences and ideas can pass across time and space from one person to another. They are centers for information and research, recreation, and lifelong learning. As such, they constitute a major cultural resource for Montana individuals and businesses. At the risk of insulting you by implying that your memories are short, I would remind you of my comments yesterday regarding the importance of developing our cultural resources to ensure a strong economy.

In a state as rural as ours, it is critical that library services be organized and coordinated in such a way as to maximize existing resources and avoid duplication. The planning, coordination, and direction provided by the State Library has created a strong network of local libraries that do a tremendous job of serving the needs of all Montanans--young and old, urban and rural. Local libraries that you and I take for granted at home could not offer nearly the quantity nor quality of services if it were not for the State Library, yet most individuals are unaware of this "behind the scenes" role. Likewise, most citizens are totally unaware of the services being provided to agencies of state government, residents of Montana institutions, and the blind and physically handicapped. In other words, few Montanans can have a appreciation for the vital role that the State Library plays in seeing that Montana residents have access to a broad range of resources, provided in the most economical and cost-effective manner.

Therefore, you might not be getting reams of mail from your constituents asking you to support funding for various aspects of State Library services, because even though they benefit extensively, they probably don't realize where much of the credit is due. We hope that this will not deter you from granting the budget requests of the State Library Commission, as these resources are truly beneficial for all Montana citizens.

VISITOR'S REGISTER

CULTURAL EDUCATION

SUBCOMMITTEE

AGENCY(S) State Library

DATE February 5, 1987

DEPARTMENT _____

NAME	REPRESENTING	SUP- PORT	OP- POSE
Mary Hudspeth	State Library Commission	✓	
Brenda Schye	Mont Cultural Advocacy	✓	
E. Dave Nelson	MT. Arts Council		
Carleen Lobbise	mt Arts Council		
Kris Fitzpatrick	Carroll College Library	✓	
Phyllis Honka	MAB	✓	
SHARON R. PROMEENES	LIONS LOW VISION CLINICS	✓	
DEBORAH SCHLESINGER	MONT. LIBRARY ASSOC.	✓	
Clauddette Morton	Board of Public Education	✓	
Janet Ellis	MT Audubon Legislative Fund	✓	
Larry Weinberg	MT. UNIV. SYSTEM	✓	

IF YOU CARE TO WRITE COMMENTS, ASK SECRETARY FOR WITNESS STATEMENT
IF YOU HAVE WRITTEN COMMENTS, PLEASE GIVE A COPY TO THE SECRETARY.