State Aid Review – Not Recommended

After careful study and analysis, two other preliminary outcomes from the review process are not being recommended for Board consideration and approval:

- Recalculation of the MAR when staff changes occur that impact salaries
- Basing the Materials Expenditure Requirement on line items libraries have in common (salaries and wages and materials only)

5.2.2 Materials Expenditure = Calculation based only on budget lines in common

Feedback on this recommendation split 60%-40%, harmful v beneficial, among respondents to the two recent polls conducted as detailed in the State Aid Feedback document. This recommendation would reduce the number of line items included in the calculation for the Materials Expenditure Requirement which, in turn, would decrease the amount spent on library collections. This decrease would affect most libraries in the State Aid to Public Libraries Program and would immediately impact locally available resources. Changes made to the Materials Expenditure Requirement based on this recommendation could potentially reduce the annual expenditure for materials statewide by nearly $5 million and seriously jeopardize resource sharing if libraries lowered their materials expenditure to the minimum requirement. (see attached chart)

This change is not recommended to the Board for approval.

5.3.3 MAR Calculation = Re-calculate the MAR to adjust for staff changes impacting salaries

When long-time staff members retire, a library may see a drop in its personnel line. It was suggested that the MAR be recalculated to reflect this decrease. Feedback on this recommendation split 47%-53%, harmful v beneficial, among respondents to the polls outlined in the State Aid Feedback document. State Aid Unit Staff regularly recalculate the MAR for municipalities when cities or towns establish a budget or department to centralize services or expenditures e.g. utilities, custodial services, building maintenance, and contractual services. The MAR is re-calculated when permanent alterations are made to the library’s budget lines. In this instance, where the person who is retiring/resigning will be replaced, no such permanent change
to the staffing structure or formula has occurred (no line item is removed). This recommendation could potentially eliminate budget flexibility; exclude the possibility of offering competitive salaries, or of hiring additional part time, interim, or substitute staff. If staff turnover continued and libraries replaced staff on an ongoing basis, the net result would be a significant loss of library funding.

This change is not recommended to the Board for approval.