

**DATE:** March 1, 2007  
**TO:** SCKLS Member Public and Academic Library Members  
**FROM:** SCKLS Executive Committee & SCKLS Director Paul Hawkins  
**SUBJECT:** Grant-in-aid Program Study Process Recommendations

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Below are the five recommendations that will be presented for approval at the April 23 Semi-annual Business Meeting scheduled for 9:00 a.m. at the Spiritual Life Center in Wichita. These recommendations are the result of a five-month study process by a special committee of the SCKLS Executive Committee and also incorporate September 2006 survey responses from SCKLS member libraries. The recommendations were each discussed and individually voted upon with the unanimous approval of the SCKLS Executive Committee on February 23, 2007.

**Recommendation #1**

Beginning with the April 2007 grants-in-aid payment, increase the base grants for eligible public and academic libraries by 9%.

**Recommendation #2**

Beginning with the October 2007 grants-in-aid payment, calculate the supplemental grant amounts according to 50% for out-of-district borrowers and 50% for interlibrary loans to other libraries.

**Recommendation #3**

Beginning in 2008, provide partial reimbursement to school and special libraries for the number of interlibrary loans of 50 or more that they provided to libraries outside their district or institution during the previous calendar year.

**Recommendation #4**

Beginning in 2008, member public and academic libraries must provide certification that their local borrower registration records have been updated at least once every three years.

**Recommendation #5**

Beginning in 2010, public libraries should receive local public and private funding in an amount equal to or greater than the total amount of base grant-in-aid available from SCKLS. If not, the library will be required to have its board meet with the SCKLS Director and develop a written three-year plan for increased local funding.

## **Grants-in-aid Program Purpose**

The majority of funding for services and programs of the South Central Kansas Library comes from a tax on all property outside of established public library districts in Barber, Butler, Cowley, Harper, Harvey, Kingman, Reno, Rice, Sedgwick, Stafford and Sumner counties. The SCKLS Grants-in-Aid program, currently budgeted at \$918,000 for 2007, partially compensates public library members of SCKLS for services they provide to registered library borrowers who are not residents of their public library tax district. In the case of academic library members of SCKLS, the Grants-in-Aid program compensates them for registered library borrowers who are not enrolled as students or who are not employees of their institution.

School and special libraries have not been eligible for the Grants-in-Aid program in the past since these libraries serve fewer users outside of their school or institution. As a condition for SCKLS membership, participating member libraries agree to provide a free library card and free interlibrary loan services, subject to local borrowing rules, to any individual who requests them and who lives within the 12 county region of SCKLS.

## **Grants-in-aid Program Study Process**

As part of its continuing commitment to evaluate and improve SCKLS services, a grants-in-aid program survey was conducted in Fall 2006. In September 2006, the SCKLS Executive Committee elected from its members the following Grants-in-aid Study Committee:

- **At-large Representative:** Merle Bender, Trustee, Hesston Public Library
- **Academic Library Representative:** Gail Niles-Stucky; Co-director, Bethel College Library, North Newton
- **Public Library Representative:** Deb Simpson, Branch Manager, Wichita Public Library
- **School Representative:** Jean Volk, High School Library Media Specialist, Haven Public Schools
- **SCKLS Executive Committee Chair:** Janice Sharp, Director, Valley Center Public Library
- **SCKLS Director:** Paul Hawkins, South Hutchinson

The Grants-in-aid Program Study Committee met in November and December 2006 and January 2007 and addressed the committee charge outlined below:

- Should the current policy basis for the grant-in-aid program be changed?
- If yes, then how?
- Should the amount of the basic grants be increased?
- If yes, in what amount and from what source?
- Should there be additional standards required to receive a basic grant?
- If yes, what should the standards be and should they be different than the existing standards that the Executive Committee voted to postpone implementing in December 2003?

- Should the current formula for the supplemental grants be changed?
- If yes, then how?
- Given the increase in postage costs, should more of the supplemental grant formula be directed to interlibrary loan? Currently 40% of the supplemental grant is directed towards interlibrary loan.
- Should member libraries that are located in counties outside of the SCKLS tax district continue to receive grants-in-aid and other SCKLS services? (Barclay College, Tabor College, Kansas Wesleyan University)
- If yes, then what is the basis for excluding other libraries in the non-taxing counties of Pratt and Kiowa from SCKLS grants and services?

Grants-in-aid survey responses and the committee’s responses to the above questions are addressed as part of the rationales for the following five recommendations. In addition the SCKLS Executive Committee discussed and voted to unanimously approve the following recommendations at their February 23, 2007 meeting.

**Recommendation #1**

Beginning with the April 2007 grants-in-aid payment, increase the base grants for eligible public and academic libraries by 9%.

Beginning with the April 2007 grants-in-aid payment and contingent upon Executive Committee approval on February 16 and System Board approval on April 23, 2007, the base grants for all eligible public and academic libraries will be increased by 9% or a total of \$47,597. Original amounts of base grants were authorized in 1996 and have not been changed in ten years. The source for this funding increase will be from \$47,597 in the Contingency Line Item of the 2007 SCKLS General Fund Budget and in subsequent years additional funding for the increased base amounts will continue and be reflected in the Grants-in-aid Line Item of the General Fund. Base amounts by population category for eligible public and academic libraries will be as follows:

<b><u>Category</u></b>	<b><u>Current</u></b>	<b><u>Proposed</u></b>
Gateway	\$ 2,530	\$ 2,756
Linking	\$ 3,650	\$ 3,978
Service	\$ 4,345	\$ 4,736
Major Service I	\$ 6,210	\$ 6,770
Major Service II	\$12,686	\$13,828
Major Resource I	\$37,439	\$40,808
Major Resource II	\$60,974	\$66,462

On the basis of the grants-in-aid program survey, 71% of member libraries responding rated the existing policy basis for the program was excellent; 27% good and 2% indicated the program need improvement. The committee recommends maintaining the current policy basis for the program. The current policy basis for the grant-in-aid program is that each public and academic library within the seven population categories receives an annual basic grant-in-aid and each public and academic library receives a supplemental grant-in-aid on the

bases of the number of registered out-of-district borrowers and interlibrary loans provided to other libraries. On the basis of the grants-in-aid program survey, 85% of member libraries responding indicated the base grant should remain the same and 15% indicated it should change.

## **Recommendation #2**

Beginning with the October 2007 grants-in-aid payment, calculate the supplemental grant amounts according to 50% for out-of-district borrowers and 50% for interlibrary loans to other libraries.

Currently supplemental grants are distributed annually in late October according to formula 60% for the number of out-of-district borrowers and 40% for interlibrary loans. On the basis of the grants-in-aid program survey, 75% of member libraries responding indicated the formula for the supplemental grants should remain the same and 25% indicated the supplemental grants should change. However, due to increasing postage costs the committee recommends the formula be changed to 50% for out-of-district borrowers and 50% for interlibrary loans to other libraries. This recommendation does not require any new or additional funding.

## **Recommendation #3**

Beginning in 2008, provide partial reimbursement to school and special libraries for the number of interlibrary loans of 50 or more that they provided to libraries outside their district or institution during the previous calendar year.

Beginning in 2008, member school and special libraries will be eligible for partial reimbursement for the number of interlibrary loans of 50 or more that they provided to libraries outside their district or institution during the previous calendar year. The source for this funding will be an estimated \$5,000 increase in a new Grants-in-aid Line Item in the 2008 SCKLS General Fund Budget for School and Special Library Interlibrary Loan and in subsequent years additional increased funding for the supplemental grants will continue and be reflected in the General Fund Grants-in-aid Line Item for School and Special Library Interlibrary Loan.

Sixty-one percent of survey respondents indicated a willingness to extend the supplemental grant program to school and special library members. Based on an e-mail survey and State Library of Kansas interlibrary loan statistics, SCKLS estimates school and special libraries will annually request reimbursement for a total of 1,500 items which will cost about \$5,000. The 2007 reimbursement rate for interlibrary loans is estimated to be \$3.15 per item. In subsequent years, the reimbursement rate for interlibrary loans will increase proportionate to the increase in the amount of funds budgeted in the Grants-in-aid Line Item of the General Fund.

#### **Recommendation #4**

Beginning in 2008, member public and academic libraries must provide certification that their local borrower registration records are updated at least once every three years.

Beginning January 2008, member public and academic libraries must have their library director and board chair or college administrator certify that their local borrower registration records have been purged and updated at least once every three years. The updating of borrower registration records is currently a requirement for eligibility, but there is no certification required. A certification statement will be added to the annual grants-in-aid eligibility form. The updating of borrower registration records means the record of any registered borrower who has not used her/his library card in the past three years should be updated or removed. If a member public or academic library does not update borrower registration records at least once every three years, the library will be ineligible for an SCKLS grant-in-aid for a period of one year and until borrower registration records are updated.

On the basis of the grants-in-aid program survey, 95% of member libraries responding indicated eligibility requirements should remain the same and 5% indicated new requirements should be added. To be eligible for the current grants-in-aid program, a SCKLS member academic or public library agrees to (1) provide a library card free-of-charge to any resident within the 12 county SCKLS service area, (2) provide free interlibrary loan service and (3) to remove inactive borrowers from your library's registration records every three years. Since 95% of member public and academic libraries responding indicated no new standards were recommended, the implementation of standards which were postponed in December 2004 will not occur.

At its December 15, 2006 meeting the SCKLS Executive Committee adopted Resolution 2006-05 defining eligibility and membership conditions to participate in the South Central Kansas Library System. Since Kansas Wesleyan University and Tabor College libraries are located in counties outside of the statutory boundaries of SCKLS as defined by KSA 75-2549(b) and in counties that do not provide SCKLS with tax support, they are no longer eligible for membership in SCKLS. Barclay College library is also located in a county that does not levy a tax in support of SCKLS and is thus ineligible for membership in SCKLS. However, Barclay has exercised its option to contract for interlibrary loan service from SCKLS.

#### **Recommendation #5**

Beginning in 2010, SCKLS member public libraries should receive local public and private funding in an amount equal to or greater than the total amount of base grant-in-aid available from SCKLS. If not, the library will be required to have its board meet with the SCKLS Director and develop a written three-year plan for increased local funding.

Since its establishment in 1967, SCKLS has always helped build and sustain local libraries. Beginning in 2010 as a way to safeguard the continuation of local library service, a public library should receive local public and private funding in an amount equal to or greater than the total amount of base grant-in-aid available from SCKLS. If not, the library will have its board meet with the SCKLS Director and develop a written three-year plan for increased local funding. If local public and private funding for a public library is less than the SCKLS base grant-in-aid, SCKLS will only provide a base grant-in-aid in an amount equal to the amount of local public and private support. A public library will still be eligible for a supplemental grant based on the number of out-of-district borrowers and the number of interlibrary loans it provides to other libraries. For purposes of SCKLS grant eligibility, the amount of local public and private funding will be based on the prior year and the total amount of the base SCKLS grant-in-aid will be calculated on the current year.

SCKLS believes that local public and private funding are critical to sustaining local library service and that the regional SCKLS base grant should not be a substitute for adequate local funding. If after a three year period, no additional public and private support is generated for the local public library, the SCKLS Executive Committee will review each public library's written three-year plan and determine its future eligibility for the SCKLS grants-in-aid program.

**If you have any questions or concerns about the recommendations please feel free to contact SCKLS Director Paul Hawkins, 800-234-0529, Ext. 113 or [phawkins@sckls.info](mailto:phawkins@sckls.info).**