

## Summary of information learned from other states January 2013

### California

(From a phone conversation with Gerry Maginnity, Acting State Librarian and Sandy Habbestad, Operations Manager & CLSA Coordinator, Library Development Services Bureau)

*Could you describe what the state picture looked like before the changes were made? (number of systems, number of staff, budgets, governance etc.)*

The "California Library Services Act" (CLSA) in 1977 funded 15 cooperative public library systems. The act mandated three things: backup reference, communications/delivery, and a system advisory board, which was a body made up of members of the public that would advise the Administrative Council (which was made up of libraries). Each system could decide what to do within these areas, and each area had funds specifically designated for it, with the funds divided among the systems by different formulas. The communications money was typically used to fund physical delivery or ISP services.

A second act called the "Library California Act" created a parallel structure of 7 multi-type systems. These multi-type systems only lasted from 1998 – 2001.

At the same time, CLSA funding hadn't been increased in many years. They started to look at better ways to do things with limited resources. All but one of the systems had contributions from member libraries to support their services, and this expectation was creating stress on the member libraries. Some systems did have ILSs, but those were fully funded by the members.

Administration of the systems was not fully funded through the money from the state. They could use up to 25% of the funds from each program area for administration costs. Some of the systems started contracting with other systems to provide administration without truly merging. A merger would mean less state funding, which was a disincentive.

Each system had an Administrative Council which consisted of the director or designee from each library, and each representative had one vote. Some of the systems had multi-type members that were considered "associate members". They received services on a cost-recovery basis and were considered part of the council, but would not vote on items that did not apply to them.

*What does it look like now?*

In 2008-9, they started looking at reorganizing. It was a natural step, as many systems were already contracting with others for services and the funding was staying flat. There was a recommendation that systems could combine and be held harmless for state funding so they would not lose any funding. The number of systems dropped from 15 to 8. Funding at this point was \$3 million.

Then, Governor Brown cut all of the state funding. This was incredibly stressful, but through a combination of reserves and federal funding, all of the systems continued to limp along. The public library directors met in a series of quorums to look at ways to change the original act, and this change was passed by the legislature, and went into effect on January 1.

The new structure eliminates the reference and system advisory service areas, but leaves the communications/delivery pieces. The systems are advised by Administrative Councils only. Some funding has been restored: \$1.88 million.

*For our discussion, we're focusing on six areas: resource sharing, awareness of library systems and library services, funding, library law, service implications of technology (e-resources, e-books, etc.), technology infrastructure. Could you briefly describe how the change has impacted these areas, both positively and negatively?*

The systems are evaluating what they are trying to accomplish at this point. Some of them are struggling more than others. Systems that developed other services beyond the three mandated areas are doing better. They have a history of asking their members to fund services. Systems that didn't do this are basically down to delivery. Many areas don't have shared ILs, so it's hard to know what materials they can borrow. So, delivery is often just returning books that have been borrowed and are returned by patrons to a different location.

*Did you have an equivalent of "resource libraries" (a large library designated in each system to provide resources to the rest of the system) in your state? How were they impacted by the change?*

The reference service area was provided by the systems, but was often housed in the largest library in the system, but there were no resource libraries designated.

*What was the process that took you from the original structure to the new structure? (Who led the process, who had input, etc.)?*

When the budget was 0, they went into information mode. They used federal money to have library director forums to get input. Out of that, they developed a working group with recommendations for changes in the legislation. Not all of the wording from the working group was accepted.

They are not done changing the law. They continue to have forums and are looking at other areas like broadband.

*What are the "lessons learned" that you've taken away from this process – what do you wish you had known at the beginning that you know now?*

The 0 budget was unexpected, but everybody responded well. There has been a lot of consensus, and it's not done yet. Before the budget, they were starting to have conversations but were nervous about it. Having those conversations is important.

## Illinois

(A very brief summary of the webinar with Dee Brennan Executive Director, Reaching Across Illinois Library System and Amanda McKay, Director, Helen Matthes Library. The archive of the webinar and a complete transcript are available here:  
<http://www.srlaaw.org/2013Process/process.asp> )

*Could you describe what the state picture looked like before the changes were made? (number of systems, number of staff, budgets, governance etc.)*

Illinois systems were launched in 1965 when the Illinois Library Systems Act was signed into law. The 18 systems were public library systems that covered the entire areas of the state. They were focused on providing services to underserved areas, so they all had bookmobiles. They were also focused on cooperation and innovation.

In 1991, some mergers occurred that resulted in 12 systems. By 2004, there were 9 and they had become multi-type systems

*What does it look like now?*

There are now two multi-type systems that cover the entire state except for the Chicago Public Library, which is its own system. Each system is governed by an elected board of librarians and trustees from a variety of libraries. The member libraries elect the board. There are also advisory councils of member libraries.

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Before 2010, services included a lot of continuing education and consulting services, especially for small libraries. The systems also managed the ILS systems (through the Local Library System Automation Programs, or LLSAPs). There has also been a strong tradition of resource sharing in the state.

One of the things to come out of the change is that the LLSAPs are merging. This change is resulting in more efficient delivery and resource sharing, particularly in the southern part of the state. The LLSAPs receive state and system financial support. There are also private ILS consortia that don't receive this funding.

The primary services that the systems are receiving funds to provide are the LLSAPs and delivery. They can offer some training and consulting related to resource sharing, but that is the extent of their services.

Consulting services and continuing education are pretty much gone, which has resulted in the libraries relying on one another more and some formal and informal collaborations have developed. A limited amount of CE will be reintroduced this year.

The Talking Book Services for the visually impaired are continuing, but the systems will only provide advisory outreach support, not the materials.

The State Library has proposed some statewide e-content as a method of resource sharing.

The actual laws and rules have not been changed, but they are working on this. The State Library is putting together a team to look at the ILL code and the funding formulas.

There are membership criteria for libraries to be members of systems. Libraries can opt not to be members, but they won't get any state funding grants.

*What was the process that took you from the original structure to the new structure? (Who led the process, who had input, etc.)?*

As of May 2010, the system directors all got together every other month. The group was discussing the idea of consolidations and mergers and working together. During that meeting, the State Library announced that the payments to the systems were delayed, and that it could be a year before there was any money. The systems needed to merge, and the State Library asked the systems to take the lead so that the changes would be membership and board driven. One of the library systems actually closed their doors a week later. 4 out of the 9 systems experienced layoffs within a couple of months. That was the immediate impact.

Merger transition boards were appointed by the existing boards of the systems. The transition boards worked on legal compliance for mergers. There was a consultant hired to help through the legal issues.

At the same time, the Illinois Library Association had launched a planning initiative in 2009. The steering committee for the initiative appointed three task forces to look at future structure, funding, and services. There was a delivery study funded in 2010.

*Where there any warning signs that changes were going to be necessary?*

The political support for systems wasn't there. There were ongoing funding decreases.

*What are the "lessons learned" that you've taken away from this process – what do you wish you had known at the beginning that you know now?*

There wasn't a lot of planning happening prior to the crisis, and that would have been helpful. It was hard for the systems to have conversations about mergers and work together. Fundamentally, it comes down to being open to change and thinking about how to move forward into the future, how to stay relevant.

## Iowa

(From a phone conversation and email exchange with Mary Wegner, State Librarian)

*Could you describe what the state picture looked like before the changes were made? (number of systems, number of staff, budgets, governance etc.)*

In the 1970s, the state was divided into 7 parts called Library Service Areas. Each of those regions had 2-3 librarians who were charged with providing hands-on consulting and continuing education in the region. The state library also had a strong responsibility for library development and provided consulting and continuing education at the state level. There were increasing questions about duplication and overlap of services between the regional and state levels.

The Library Service Areas were governed by independent citizen boards with no oversight from the state library.

*What does it look like now?*

The reorganization process took effect in July 2011. The 7 Library Service Areas were reduced to 6 due to a vacancy. The boundaries were redrawn and the regional offices have been combined administratively with the state library into a single agency called Iowa Library Services. All employees are now state employees, and the state library has complete oversight.

A 9 member governor-appointed commission governs the agency. A statewide advisory panel provides input to the commission.

The reorganization has cut about 3.3 positions. There hasn't been tremendous cost savings. The change was as much about simplifying and eliminating overlap as it was about saving money. It has been very powerful to have all of the people around the state on the same team.

The operating budget is 2.2 million (for 40 FTE). They are still maintaining 6 physical regional offices, with 2 people at each office: a library consultant and a library resource tech.

Additional information about the reorganization is on their website:

<http://www.statelibraryofiowa.org/ld/q-s/reorganization>

*What was the process that took you from the original structure to the new structure? (Who led the process, who had input, etc.)?*

There had been discussion in the community about the overlap in services, but there was no consensus. A legislator brought up a change that did not pass. The legislature then tasked the Iowa Library Association with forming a committee that included the state library to look at the issue.

*What are the “lessons learned” that you’ve taken away from this process – what do you wish you had known at the beginning that you know now?*

Early on, she said publicly that she would hire any of the Library Service Area directors that wanted to come on board. She did not want that to be part of the discussion.

Be open and transparent! Don’t surprise anybody.

## **Massachusetts**

(A very brief summary of the webinar with Greg Pronovitz, Executive Director, Massachusetts Library System, Inc. and Esme Green, Director, Goodnow Library, Sudbury, MA. The archive of the webinar and a complete transcript are available here:  
<http://www.srlaaw.org/2013Process/process.asp> )

*Could you describe what the state picture looked like before the changes were made? (number of systems, number of staff, budgets, governance etc.)*

In Massachusetts, there is a state agency called the Massachusetts Board of Commissioners, which is the equivalent of a state library. Peak funding for this organization was \$34 million back in 2001. Last year, it was \$21 million.

The Boston Public Library also provides some services as the Library for the Commonwealth.

There are also 9 shared ILS networks with 400 participating libraries and a total budget of \$12 million, of which 15% comes from the state. These ILS networks are very separate from the regional systems.

Until 1997, there were 3 region systems. In 1997, those regions were broken into 6.

The regions were not-for-profit organizations, and were governed by a board.

*What does it look like now?*

All 6 regions were merged into 1, the Massachusetts Library System. The current budget is \$7 million. There was an overall budget reduction of 31%. Personnel costs are 70% less. Operations/facilities costs are 52% less.

There are 2 offices that are 100 miles apart. There are 17.5 staff members (used to have 45). Many of the staff telecommute.

There is an executive board that can be up to 15. There are 6 advisory committees and several ad hoc task forces. The board was appointed by the transition team and it selects the new board members itself. There is a nomination process to be on the board.

The executive director of MLS reports to the MLS Executive Committee, not to the board.

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MLS is responsible for physical delivery of 14 million items a year. This service has been enhanced in many cases by the consolidation. There is semi-automated sorting in most of the networks.

They maintain 2 interlibrary loan centers in public libraries. There were 6 centers providing this service before, so the service has been reduced. Postage and fees that were covered by some systems are no longer covered. Volume is down, and there is discussion about consolidating the remaining 2 centers.

They maintain a shared automated system for small libraries that can't afford the 9 shared ILS networks. It includes 70 libraries that contribute part of the funds to support the system. They have a statewide virtual catalog.

MLS is involved in technology through federal grant funding for broadband and also provides access to statewide online content jointly with the Board of Library Commissioners. By providing content together, everyone in the state has access at a reasonable cost.

They are working on a statewide e-book platform now.

Digitization was provided by a couple of regions, but it's not a core service of MLS and is being provided by Boston Public as the Library for the Commonwealth. Libraries had some access to local newspapers that they no longer have and sorely miss.

MLS has created a partnership with the Massachusetts Higher Education Collaborative for cooperative purchasing of library materials and supplies. This cooperative purchasing used to be handled by the regions.

MLS provides general training and general support. CE has been enhanced by a focus on virtual CE. About 10% of attendees are virtual trainees. However, there is less continuing education. It is done in different locations because 4 regional offices were closed. They are adding statewide events to get everyone together. The number of training events is down about 57%. The budget spent on training is down 61%.

Consulting services have declined. Libraries are relying on one another and their colleagues that used to be associated with the regions. Contact hours are down 54% and the budget is down 21%.

There is a service to provide temporary librarians to libraries that was run in one region before, and now MLS has taken it over and expanded it throughout the state.

*Did you have an equivalent of “resource libraries” (a large library designated in each system to provide resources to the rest of the system) in your state? How were they impacted by the change?*

There were “regional reference centers” – a strong library in the system where you would refer tough reference questions. They would sometimes provide electronic content. These were lost in the merger.

*What was the process that took you from the original structure to the new structure? (Who led the process, who had input, etc.)?*

In 2009, there was a statewide forum on the future of library services. There was a huge brainstorming session, and three items rose to the top: a statewide library card, a user-friendly statewide look-and-feel for library services, and the need to look at efficiencies in the regional systems. Then, the state library agency experienced severe cuts, and the bulk of those cuts were going to come out of regional budgets. There was a rushed process mandated by the state budget time. A planning process began with the boards of the regional systems, which led to a statewide forum of the boards, the regional staff, and the Board of Library Commissioners.

The decision was made to merge into a single entity. The mandate that came from the state said there could be 1 or 2. Having 1 was most efficient.

After that, a transition team that included 2-3 people from each region worked on the details of the merger. It was a merger of the 6 organizations, rather than closing of the organizations.

Libraries felt that they were locked out of the process. They wanted to help, but they were not involved. This was isolating.

*What are the “lessons learned” that you’ve taken away from this process – what do you wish you had known at the beginning that you know now?*

When undergoing a merger, have a facilitator with a lot of merger experience and be ready to deal with a lot of emotions. The financial complexities are very challenging. The existing and planned compensation packages must be carefully considered. You need to have buy-in from all stakeholders.

Hire an acting director as the organization is being formed.

Start the conversation with the areas that are going to be more difficult: find out what their concerns are early. Everyone needs to know that it is happening and that they are not going to get everything they want. The message should be realistic, not sugar coated.

## Ohio

(From an email exchange with Missy Lodge, Associate State Librarian)

*Could you describe what the state picture looked like before the changes were made? (number of systems, number of staff, budgets, governance etc.)*

Prior to the restructuring of the Regional Library Systems (RLS) systems in 2006, there were 7 chartered RLS. State funding was based on the historic amount of LSCA received by the systems. The systems ceased receiving federal funds with the switch to LSTA. Two systems were multi-type, five were public library only although they may have had “associate” members that were non-public libraries. Once again, this was based on LSCA funding.

*What does it look like now?*

Currently there are 4 state chartered RLS, one for each quadrant of the state. Each RLS includes one major metropolitan area and one urban library (not necessarily a participating member of the system). All libraries of all types within a region are considered geographic members of the RLS and are eligible for certain services, primarily basic C.E. conducted and/or supported by the State Library. Libraries within a region have the opportunity to become participating or supporting members of the RLS by paying dues, which allows them to specific services which vary by RLS. Also, supporting/participating members receive lower C.E. costs and reciprocal C.E. with other RLS. All RLS receive the same amount of state aid, currently \$145,617.25 per RLS for the state fiscal year. These funds are to be used to support administrative functions of the RLS with support of C.E. if funds allow. Additional funds are derived from dues paid by supporting/participating members.

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**Resource Sharing:** Each of the RLS has certain services that they provide their members. In many cases, they will provide reciprocal services to participating members of another RLS. For the most part resource sharing services are provided at a statewide level by the State Library.

**Awareness:** All of the RLS have as a prime role, supporting library awareness. They have a strong presence at statewide meetings and conferences to promote libraries in general and RLS specifically.

**Funding:** Although having four RLS was designed to assist with funding issues, the declining state budget has not made this a reality. Additionally, shrinking local budgets means that many local libraries are dropping out of the RLS because they can get services elsewhere or do them in house. Funding issues are leading to the State Library re-evaluating again, what the RLS structure should look like.

**Library Law:** As part of the reorganization the ORC and administrative code were revised. This really has had no impact on the RLS positive or negative.

Technology Services: activities such as e-resources and e-books have never been a service of the RLS to any great extent. They do continue to provide training on use of technology services.

Technology Infrastructure: support for library members in the area of technology infrastructure has historically been a key service of the RLS. However as more libraries can afford or must have staff to support their technology this role of the RLS is declining and they are searching for an alternative to fill this funding void

*Did you have an equivalent of “resource libraries” (a large library designated in each system to provide resources to the rest of the system) in your state? How were they impacted by the change?*

No.

*What was the process that took you from the original structure to the new structure? (Who led the process, who had input, etc.)?*

The process was led by Russ Crabtree of Holy Cow consulting. The process included senior State Library staff, RLS Directors and fiscal officers of all 7 RLS, Board Presidents of each RLS and one or two members of the RLS. Holy Cow first met with State Library staff to develop the process. After a process meeting two task forces were formed one on funding and one on services. Each task force had 90 days to complete their work. This led to a series of recommendations. Once it was determined to have four systems, each new system had four working groups: Governance, Staffing, Services and Location. Part of the Governance group’s work was to come up with an interim board that would develop the new charter and establish permanent board bylaws, etc. All of the revised charters were submitted to the State Library in Feb. 2006 and were then approved by the State Library Board with the new RLS becoming effective July 1, at the beginning of the state year. The staffing group worked to develop how staffs from the various merging RLS would be used or how/when they would be let go. Services evaluated current services offered by the merging RLS – what services should stay, what should be added, what should be no-cost to all members or to participating members and what that cost should be. Location determined the final location of the new RLS office and what should be done with facilities of the current RLS (i.e break lease, sell assets, etc). The first meeting was held in December 2004 and the process was complete July 1, 2006.

As part of this process the State Library had the ORC and Administrative Code revised. Previously systems could be chartered as either an ALSO or a METRO. Now all are chartered as a Regional Library System.

*Where there any warning signs that changes were going to be necessary?*

Declining state revenue coupled with members dropping out of the RLS was the primary warning sign that the State Library was going to have to develop a new process for funding the RLS and/or make changes to the RLS law. The RLS are a line item in the State Library budget. The State Librarian has to testify before legislative budget committee and the year that then State Librarian Jo Budler had to testify in support of RLS before a committee where no libraries were members of an RLS also sparked the decision to act. About the same time, the Mid-Ohio Library Organization (JMLO) asked how to end their chartered status. State Library staff

recognized that we could either let the systems struggle and fade away or we could attempt to save RLS by structuring and reorganizing.

*What are the “lessons learned” that you’ve taken away from this process – what do you wish you had known at the beginning that you know now?*

Having an outside facilitator was crucial since he had no vested interest in the outcome but he could try to focus all on the shared values of the RLS being merged . One lesson learned is that not everyone will be happy. It has been 6 years now and there are still some hard feelings and some libraries that will not join the new RLS because of that. Surprisingly however the area of the state that had the hardest time coming together is doing the best and the libraries seem to have gotten over any bitterness. I wish that we had known that state funding would continue to decrease and that, despite an early cooperative attitude of the four regionals, the competitive nature is once again coming to the forefront because of funding. Consequently, at the State Library Board retreat in April 2013 the Board and staff will again be looking at the RLS and their viability and role moving forward.