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STATE OF NEW HAMPSHIRE
DEPARTMENT of NATURAL and CULTURAL RESOURCES
NH STATE LIBRARY

20 Park Street CONCORD, NEW HAMPSHIRE 03301
Phone: (603) 271-2393 Fax: (603) 271-6826

August 18, 2022

The Honorable Karen Umberger, Chairman
Fiscal Committee of the General Court and

His Excellency, Governor Christopher T. Sununu
and the Honorable Council
State House
Concord, New Hampshire 03301

REQUESTED ACTION

Pursuant to RSA 9:16-c, 1, authorize the Department of Natural and Cultural Resources, New Hampshire State Library, to transfer funds in and among classes within an accounting unit in the amount of \$339,009 from the Institute of Museum and Library Services (IMLS) to promote continuous improvement in library services in all types of libraries to better serve the people of New Hampshire effective upon Fiscal Committee and Governor and Council approvals through June 30, 2023. 100% Federal Funds.

Funds are to be budgeted in the following account 03-35-35-353010-25540000 Federal Library Programs:

Class-Account	Class Description	FY23 Current Adjusted Authorized	Requested Action	Revised FY23 Adjusted Authorized
000-408053-16	Federal Funds	\$3,912,002		\$3,912,002
	Total Revenue	\$3,912,002	\$0	\$3,912,002
010-500100	Personal Services Perm Clas	\$673,830		\$673,830
018-500106	Overtime	\$1,000		\$1,000
020-500200	Current Expenses	\$183,091	(\$25,000)	\$158,091
022-500248	Rents-Leases Other Than Sta	\$56,064		\$56,064
024-500227	Maint Other Than Build-Grn	\$2,465		\$2,465
026-500251	Organizational Dues	\$13,434	\$140,000	\$153,434
028-582814	Transfers To General Servic	\$264,846		\$264,846
030-500320	Equipment New Replacement	\$133,076		\$133,076
039-500190	Telecommunications	\$5,198		\$5,198
040-501587	Indirect Costs	\$825,535	(\$214,009)	\$611,526
041-500801	Audit Fund Set Aside	\$11,782		\$11,782
042-500620	Additional Fringe Benefits	\$237,393		\$237,393
050-500109	Personal Service Temp Appoi	\$191,259		\$191,259
057-500532	Books Periodicals Subscript	\$290,193	\$169,009	\$459,202
060-500601	Benefits	\$427,757		\$427,757
070-500704	In State Travel Reimbursement	\$5,500	\$30,000	\$35,500
072-500574	Grants Federal	\$48,689		\$48,689

080-500713	Out Of State Travel Reimb	\$16,566		\$16,566
102-500731	Contracts For Program Servi	\$492,876	(\$100,000)	\$392,876
103-500736	Contracts For Op Services	\$28,983		\$28,983
211-501530	Catastrophic Casualty Ins	\$2,467		\$2,467
	Total Expenses	\$3,912,002	\$0	\$3,912,002

EXPLANATION

The IMLS LSTA annual federal allocation comes through the Grants to States program, where every state library in the United States receives an allocation based on a formula and uses the monies to support statewide public library services. For more information on this program, visit [Purposes and Priorities of the Library Services and Technology Act | Institute of Museum and Library Services \(imls.gov\)](https://www.imls.gov/Pages/Purposes-and-Priorities-of-the-Library-Services-and-Technology-Act.aspx). For federal fiscal year 2022, the IMLS LSTA allocation for New Hampshire is \$1,349,771.

At this time, we ask for approval to transfer monies between classes in this accounting unit in order to fulfill our responsibility to spend the monies under the purposes outlined in our current [IMLS LSTA 5-Year Plan, 2018-2022](#). Our new 5-Year Plan, 2023-2027 was submitted to IMLS in June 2022 and we are waiting for final approval of that plan, which will begin implementation on October 1, 2023.

Class 020 – Current Expenses: In previous fiscal years, this class was used for our Inter-Library Loan (ILL) van fleet repairs, maintenance, and gas. Last year DNCR business office required us to pay for gas out of class 70, which is standard practice per NH DAS. Therefore, we must move \$25,000 out of class 020 and into class 070 to cover gas expenses. In state FY22, we spent \$25,500 on gas. With higher gas prices this year and the same number of miles predicted for statewide service, we need to budget more money in this class to cover our ILL van gas consumption.

Class 026 – Organizational Dues: In 2020, DNCR business office and DAS requested that we pay our annual Online Computer Library Center (OCLC) invoice as a membership. OCLC is a global library cooperative that provides shared technology services for our NH libraries. This membership allows the State Library to obtain catalog records and metadata for NHSL collection organization, provide cataloging and metadata for the statewide public library NHU-PAC shared catalog, as well as the ability to request items from other libraries around the world through the WorldShare ILL subscription. Our FY23 membership cost of \$138,546.72 was approved by Governor & Council on May 18, 2022 (consent calendar #B). This class also contains membership monies for the American Library Association, the Chief Officers of State Library Agencies (COSLA), Council of State Libraries in the Northeast (COSLINE), and Collaborative Summer Library Program (CSLP).

Class 40 – Indirect Costs: Per federal statute [20 U.S.C. § 9132\(a\)](#), only 4% of the IMLS LSTA annual Grants to States allocation can be used for indirect costs. This class had been budgeted at \$268,000; 4% of our federal FY22 LSTA grant is \$53,991. That is the amount this class should be budgeted for in state FY23. If more monies are spent on indirect costs than the 4% allowed, IMLS will reduce our next annual grant by that amount in the following grant cycle, which will severely handicap our ability to continue current statewide services to our public libraries.

Class 57 – Books, Periodicals, Subscriptions: The contract for our Inter-Library Loan system, Autographics (approved by Governor & Council on July 10, 2019, #47) has \$316,790.50 encumbered for state FY23, the final year of that contract. In order to support current statewide services in place and this last year of the Autographics contract, we need to increase the budget in this class by \$169,009.

Class 70 – In-State Travel: As described above under Class 30, \$25,000 is requested to move into this class from class 020 in order to pay for the annual fuel costs of our Inter-Library Loan vans consistent with DAS practices.

Class 102 – Contracts for Program Services: In order to support the last year of the Autographics contract described above under class 57, \$100,000 needs to be moved from this class into class 57. We are using IMLS ARPA monies to pay for professional development presenters and materials for our public libraries for the majority of state FY23.

The following information is provided in accordance with the Budget Officer's instructional memorandum dated April 17, 1985:

Justification:

1) Does the transfer involve continuing programs or one-time projects?

This transfer only involves continuing programs as outlined in our NH State Library's IMLS LSTA 5-Year Plan.

2) Is this transfer required to maintain existing program level or will it increase the program level?

This transfer is required to maintain the existing program level.

3) Cite any requirements which make this program mandatory.

The IMLS LSTA Grants-to-States program is an annual federal grant program that all 50 state libraries plus US territory libraries have participated in since the late 1990s in order to support statewide library services.

4) Identify the source of the funds on all accounts listed on this transfer.

Federal Funds: Institute of Museum & Library Services, Grants-to-States program

5) Will there be any effect on revenue if this transfer is approved or disapproved?

Yes. We will default on our vendor contracts for our statewide Interlibrary Loan System (Autographics) and membership with OCLC, which are part of our 5 year plan approved by IMLS, which may result in a penalty and reduction in funding in future years.


6) Are funds expected to lapse if this transfer is not approved?

No.

7) Are personnel services involved? No

In the event that Federal Funds become unavailable, General Funds will not be requested.

Respectfully submitted,


Sarah L. Stewart
Commissioner

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