

**VI. GENERAL FUND AND MISCELLANEOUS REVENUE FUND**  
**A.2 Finances - FY2012 Object Transfers and LSIF authorization**

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General Fund:

The FY2012 appropriation has zero in Capital Outlay. We have one known capital expenditure for the current year, an annual lease for a copier at the cost of \$2,300.00.

I am requesting Board approval for an object transfer of up to \$5,000 from Operating to Capital Outlay to provide spending authority for the lease and potential purchase of critical equipment. If approved, transfers will be made as expenditures are identified.

**Suggested motion:** I move that the FY2012 state general fund appropriation be adjusted by transferring up to \$5,000 from Operating to Capital Outlay.

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ARRA Fund:

Our FY2012 spending authority for the federal BTOP grant is \$400,000 in Operating and \$400,000 in Capital Outlay. Our BTOP spending plans have changed since we submitted the FY2012 budget, and computers are now classified as operating expenditures rather than capital. Therefore, all of the BTOP expenditures will be in operating and none in capital. I am requesting Board approval for an object transfer of \$400,000 from Capital Outlay to Operating to provide spending authority for the FY2012 BTOP project activities.

**Suggested motion:** I move that the FY2012 federal American Reinvestment Fund appropriation be adjusted by transferring \$400,000 from Capital Outlay to Operating.

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Library Services Improvement Fund:

The Bill & Melinda Gates Foundation awarded the Commission a grant of \$615,100 as matching funds for our BTOP grant. The Gates Foundation's grant was split into 2 equal payments: the

first at the beginning of the project (August 2010), and the second upon receipt and approval of an interim report that we submitted in July 2011. The Foundation also stipulated that the grant funds be “invested in highly liquid investments” which for the Commission is the Library Services Improvement Fund.

We just received the response to our interim report from our Gates Foundation program officer. It includes the following:

“After reviewing your NTIA and foundation reports, I continue to be impressed with the work of the Idaho Commission for Libraries. The achievements you have made in procuring broadband upgrades and Erate participation are impressive. So are the numbers. \$290K in Erate support for 43 libraries with plans for even more in the next Erate cycle; upgrades from an average of 1.5Mbps to 11Mbps; a diverse set of carrier contracts; 477 computers ordered and 287 installed in libraries; digital literacy training through the Idaho Youth Corps; and partnerships with the Department of Labor, Adult Basic Education, WGBH, PBS and Idaho Public TV. I had a meeting on Friday with the Senior Counsel to the Chairman at the FCC and I read from your report as an example of the progress work that is ongoing at libraries. “

We will shortly receive the second Gates Foundation grant payment of \$307,550. I am requesting Board approval for expenditures of up to \$307,550 from the Library Services Improvement Fund for implementation of the Commission’s BTOP project in FY2012.

Expenditures from that fund require specific approval of the Board of Library Commissioners:

IC 33-2506(2) Purpose. The purpose of the library services improvement fund is to further the development of library services for all the people of Idaho. Moneys in the library services improvement fund are appropriated to and may be expended by the board of library commissioners at any time for the purposes provided in this section.

(4) Payments. (c) Payments from the library services improvement fund may be used only for the purposes approved by the board of library commissioners. Funding decisions shall be solely within the discretion of the board of library commissioners.

**Suggested motion:** I move that expenditures of up to \$307,550 from the Library Services Improvement Fund be approved for implementation of the BTOP “online @ your library” project in FY2012.

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