

VI. GENERAL FUND AND MISCELLANEOUS REVENUE FUND
A.1 Finances – FY2015 Budget Submission

The FY2015 budget request was prepared according to Division of Financial Management’s budget development manual. It includes the enhancement items Community Development through Public Libraries and Read to Me Mini-Grants. The budget request was submitted to DFM on August 30.

Suggested motion: I move that the FY2015 agency budget request be approved as submitted to the Division of Financial Management, and that the State Librarian be authorized to make adjustments in the request as may be required by DFM.

MSC_____

Line Items:

Community Development through Public Libraries

	FTP	Personnel Cost	Operating Expense	Capital Outlay	Trustee/ Benefit	Total
General	0.0	\$0	\$135,400	\$0	\$200,000	\$335,400
	0.0	\$0	\$135,400	\$0	\$200,000	\$335,400

Learn to Read, Read to Learn, Read to Earn: Read to Me Mini-Grants to Libraries

	FTP	Personnel Cost	Operating Expense	Capital Outlay	Trustee/ Benefit	Total
General	0.0	\$0	\$0	\$0	\$100,000	\$100,000
	0.0	\$0	\$0	\$0	\$100,000	\$100,000

FY2015 Total Request:

		FTP	Personnel Cost	Operating Expense	Capital Outlay	Trustee/ Benefit	Total
0001-00	General	28.50	\$1,799,400	\$1,517,400	\$26,000	\$400,000	\$3,742,800
0348-00	Federal *	12.00	\$568,500	\$917,800	\$25,000	\$60,000	\$1,571,300
0349-00	Receipts			\$24,300	\$25,000	\$26,000	\$75,300
		40.50	\$2,367,900	\$2,459,500	\$76,000	\$486,000	\$5,389,400

* Federal includes a request for increased spending authority in Personnel of \$40,000.

FY2015 B8.1 DU DETAIL NARRATIVE

#1 PRIORITY: Community Development through Public Libraries

1. What is being requested and why? What is the agency staffing level for this activity and how much funding, by source, is in the base?

This package supports the role of Idaho public libraries as partners in community development and consists of funding for:

- Reimbursement of the non-E-rate portion of public libraries' Internet (ISP) charges to help them meet their growing need for public access to the Internet;
- Online resources that support workforce and career development, digital literacy, K-16 education, informal education and training, and college and career readiness; and
- A public information program to let Idahoans know that libraries are safe and reliable local sites to connect to the Internet and these online resources.

This request is made because:

- It supports the Governor's declaration that "Education remains our top economic priority."
- Persistent digital inequality deepens economic disparities, and Idaho residential broadband deployment significantly lags the national average. Idahoans without sufficient Internet access are shut off from jobs, government services, health care and education, and the social and economic effects of that gap are looming larger.
- Public libraries in 140 Idaho communities play a significant role in filling that gap - 70% report they are the only source of free broadband in their communities.
- Even Idahoans with residential broadband often choose to use the library's, because of more reliable connections, higher speed, and/or the help they get from library staff. LinkIDAHO's state broadband plan recognizes the significant role public libraries play in providing public access technology in their communities.
- Like Idaho schools, Idaho public libraries need sufficient broadband to serve their community needs. And as with Idaho schools, state assistance will strengthen the capacity of Idaho public libraries to connect their communities to online information, services, and opportunities.
- Idahoans' need for adequate broadband and online resources continues to grow rapidly as more services and information become available via the Internet, and often only via the Internet. Broadband and online resources are increasingly needed to support many aspects of Idahoans' lives: business, job-seeking, workforce development, economic development, K-16 and informal education and training, health and wellness, government services, banking, consumer services, and civic engagement.
- There is a demonstrated and growing need in Idaho for workforce development and non-credit education and training accessible online by Idahoans. By 2018, an estimated 61% of jobs will require some form of postsecondary education or training. The requested resources support the efforts of state and local agencies and organizations working to expand and improve the skills of Idaho workers and the success of Idaho students (including Departments of Labor, Education, and Health and Welfare, and Divisions of Human Resources and Adult Basic Education).
- Ongoing public information is necessary to ensure that Idahoans are aware of online resources in libraries, particularly those that support workforce development and job seeking, formal and informal education, and digital literacy services.

Staffing level & funding in the base by source:

- E-rate Coordinator @ .20 FTE, \$14,400 from general fund

2. What resources are necessary to implement this request?
 - a. List by position: position titles, pay grades, full or part-time status, benefit eligibility, anticipated dates of hire and terms of service.

No additional positions are needed to implement this request.

- b. Note any existing agency human resources that will be redirected to this new effort and how existing operations will be impacted.

This initiative is not expected to significantly impact staff time or existing operations. The E-rate Coordinator already tracks the public library E-rate data. The reimbursements to public libraries will be made quarterly or biannually, and will be folded into the fiscal office's regular work flow. The Public Information Specialist's workplan varies from year to year according to statewide initiatives in place, so she will incorporate this one into her annual plan if/when funding is approved.

- c. List any additional operating funds and capital items needed.

No additional operating funds and no capital items are needed.

3. Provide additional detail about the request, including one-time versus ongoing. Include a description of major revenue assumptions, for example, whether there is a new customer base, fee structure changes, or anticipated grant awards.

The request is for ongoing funds. There is an expanding customer base as more Idahoans become broadband users and as more information, services, and opportunities become available via the Internet, and often only via the Internet (such as job applications, unemployment benefits, and GED tests).

4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded who and what are impacted?

This request will serve a large cross-section of Idahoans, both those with and without Internet access at home. The broadband reimbursement for non-E-rate ISP charges will serve the 140 communities with public libraries by helping them meet their increasing demand for broadband capacity, broadband that is necessary for a strong community in the 21st century.

As with school boards, public library boards are already working with stretched local budgets. They see broadband expenditures competing against those for new materials, additional computers, programming for teens and children, other services, hours open, and staff. If this portion of the request is not funded, some libraries will not be able to increase their broadband capacity as their need grows; others may need to reduce their capacity as a cost-cutting measure. Those

communities will see static or decreased broadband capacity at a time when the demand is increasing for access to online information, services, and opportunities.

The online resource for which funding is requested is LearningExpress Library (LEL, www.learnatest.com/LEL/index.cfm/?HR=http://lili.org/). Some Idaho public libraries and several regional Adult Basic Education offices subscribed to LEL prior to the Commission's acquiring a statewide license for LEL as part of a 3-year broadband adoption grant in 2010.

LEL is helping Idahoans train or retrain to improve their employability and helping Idaho students at all levels improve their achievement. These benefits to all Idahoans will continue if this request is funded:

- Regional offices of both Labor and Adult Basic Education direct their clientele to LEL for basic skills improvement, computer tutorials, GED practice tests, licensing and certification practices tests, job interview skills, and resume improvement.
- Department of Education Div of Information Technology has embedded links to LEL in SchoolNet as a resource for both students and teachers.
- State agency HR directors recommend LEL to staff who need to improve skills in computer use, writing, or math.
- Students of all ages, K-16 and adults headed back to school, use LEL to build or refresh skills in math, reading, writing, social studies, and science, increasing their chances of being successful in college or in a career.
- Home schooling parents build LEL courses into their curriculum.
- High school students use LEL to find career information and prepare for advanced placement and college entrance exams.
- Community college students use LEL study guides and practice tests as they prepare for college entrance exams and work on computer literacy, nursing, and a wide range of technical certifications.
- Teachers use the LEL practice tests for Praxis preparation.

The Commission's FY2014 request for ongoing LEL funding was not approved so the statewide license will expire at the end of October 2013. Because of the high usage of LEL for workforce and career development and K-16 and informal education support, the Commission is negotiating with the vendor for an 8-month license (November 2013 – June 2014) and assessing the willingness of a small group of libraries throughout the state to share that cost, on a one-time basis, to continue statewide access through FY2014 while this request for state funding is being considered.

In FY2013 alone, LEL ebooks, courses, and practice tests used by Idahoans had a total value of over \$2 million (based on typical purchase price and online course fees). The ratio of this benefit to actual cost (\$110,400) is extremely high. If this request is not funded, there will be no statewide license. A few libraries would subscribe on their own for their communities, without the savings and cost-effectiveness that come with a statewide license and leaving most Idahoans without access to online resources that clearly are meeting a statewide need.

FY2015 B8.1 DU DETAIL NARRATIVE

#2 PRIORITY: Learn to Read, Read to Learn, Read to Earn: Read to Me Minigrants to Libraries

1. What is being requested and why? What is the agency staffing level for this activity and how much funding, by source, is in the base?

The request is an increase of \$100,000 for the Commission's annual Read to Me (RTM) Minigrants to libraries (for a total of \$200,000). The goal of the RTM Minigrant program is to increase convenient access to quality, age appropriate fiction and non-fiction books for young children who are unlikely to have them at home.

This request is made because:

- It supports the Governor's declaration that "Education remains our top economic priority." A good education is founded on solid early literacy skills and proficient reading ability. Literacy is essential to success in today's economy.
- There is documented need. The Legislature appropriated \$100,000 in FY2013 T&B funds for RTM Minigrants. Ninety-seven (97) public and elementary school libraries applied for a total of \$357,000. The \$100,000 was awarded to 29 libraries (20 school and 9 public); we were unable to fund the other 68 requests (70%). In FY2014 we limited the program to elementary school libraries. 59 applied for a total of \$242,000. The \$100,000 was awarded to 23; we were unable to fund the other 36 (61%).

Staffing level for the Minigrant program:

- .04 FTE Program Coordinator
- .03 FTE Grants/Contracts Officer

Funding by source in the base:

- Federal Personnel: \$4,800 (.07 FTE)
- State T&B: \$100,000

2. What resources are necessary to implement this request?
 - a. List by position: position titles, pay grades, full or part-time status, benefit eligibility, anticipated dates of hire and terms of service.

No additional positions are needed to implement this request.

- b. Note any existing agency human resources that will be redirected to this new effort and how existing operations will be impacted.

An increase in funding for the RTM Minigrant program is not expected to significantly impact staff time or existing operations. The application process is in place and the grant funds are paid in a single payment to recipient libraries. The major difference expected is that more applications will be funded, and a little more Project Coordinator and Grants Officer time will be devoted to reviewing interim and final grantee reports.

- c. List any additional operating funds and capital items needed.

No additional operating funds or capital items are needed.

3. Provide additional detail about the request, including one-time versus ongoing. Include a description of major revenue assumptions, for example, whether there is a new customer base, fee structure changes, or anticipated grant awards.

This request is for ongoing funding to increase access to books for young children, which is an ongoing need in both school and public libraries. Because the need in elementary schools is so great, we plan to focus on them in the immediate future.

The 2012 Idaho Comprehensive Literacy Plan states that “School libraries should have a minimum of 20 books per child to enable children to take multiple books home at each visit. This figure also takes into consideration the needs of teachers to have access to quality trade books to support the Common Core. In addition, it is recommended that . . . two new books per child should be added to the school library collection each year to allow for the addition of important new titles. Books and other literary materials must be updated annually. . . . Research suggests that at least five to eight books per child [are] necessary to support choice and motivation to read.”

Data from our September 2012 Public Elementary School Library Study by Dr. Roger Stewart shows that most school districts spend very little if anything on reading materials for their elementary school libraries. The 2013 average price for a new hardback children’s book is \$19.03 (School Library Journal, 6/2013). Dr. Stewart’s study found that 62% of Idaho elementary school libraries reported annual book budgets from their districts of under \$1,000 – which would purchase a maximum of 52 books. 28% had budgets of under \$100 – which would purchase a maximum of 5 books. These numbers fall far short of the Literacy Plan’s recommendations.

Most Idaho elementary school libraries have insufficient budgets to provide quality, age appropriate books for their students to either read at school or to take home. With 50% of Idaho school children living in poverty, many of them are not likely to have age appropriate reading material at home. The result is that many Idaho children do not have access to enough reading materials to become proficient readers, the basis required for all other learning.

4. Who is being served by this request and what are the expected impacts of the funding requested? If this request is not funded who and what are impacted?

The RTM Migrant program serves families of young children by increasing their convenient access, through public and school libraries, to quality, age appropriate fiction and non-fiction books for those who are unlikely to have them at home.

Research shows that the best way to improve a child’s reading skills to assure that s/he has convenient access to reading materials.

- When children have access to books, they read them, and when they read a lot, all aspects of literacy improve.

- The availability of reading material in the home, whether owned or borrowed from the library, is directly associated with children’s achievement in reading comprehension.
- Idaho’s school and public libraries need to offer strong collections of quality, age-appropriate books for young children as part of the effort to have Idaho’s young children reading proficiently and at grade level.

Most efforts to increase the percentage of Idahoans who have some kind of post-secondary credential seem focused on better preparing junior high and high school students. Yet research shows that children who are not reading at grade level by 1st grade have only a 1 in 8 chance of ever catching up without costly intervention, and will struggle throughout school. The Commission’s RTM program for Idaho’s libraries focuses on developing parent and caregiver capacity to nurture early literacy skills and to raise proficient readers, the basis required for all other learning and for better earning power.

Dr. Stewart’s evaluation of the Commission’s FY2013 RTM Minigrants to 20 elementary school libraries for their preschoolers, kindergarteners, and 1st graders show strong positive results. “Young children had dramatically increased access to books resulting in them, their teachers, and their parents/caregivers becoming excited about books and reading. The access and excitement led to substantial shifts in self-reported parent/caregiver behaviors in the home. These included increased amounts of reading to their children, and more discussion of the books read. . . . [this is] another example of a highly-effective, relatively low-cost program expertly developed and administered by ICfL [Commission] staff.” With more funding for RTM Minigrants, these significant results will be extended to more Idaho families with young children.

If this request is not funded, the Commission will not be able to increase the number of Idaho young children who have convenient access to quality, age appropriate reading material. Reading scores have important implications for later achievement. Idaho’s students must read well to succeed in school and in life. If we fail to prepare our students adequately, Idaho will continue to face large economic and societal costs.

- Only 33% of Idaho’s 4th graders scored proficient or higher on the NAEP in 2011. Among proficient readers, only 4% fail to graduate high school on time.
- Those who scored as basic readers (36% in Idaho) are more than twice as likely to fail to graduate as proficient readers.
- Those who scored below basic (31% in Idaho) are almost 6 times as likely to fail to graduate.

Every student who does not complete high school costs our society an estimated \$260,000 in lost earnings, taxes and productivity.

- About 5,800 Idaho students dropped out from the class of 2010; the lost lifetime earnings for that class of dropouts alone totals over \$1.5 billion.
- High school dropouts are more likely to be arrested, have a child while still a teenager, or engage in substance abuse—all of which incur additional financial and social costs.
- Only 32% of Idaho adults ages 25 to 34 have an associate’s degree or higher. By 2018 it is projected that 61% of jobs in Idaho will require postsecondary education. As the Governor stated, “. . . in the information age a certification or degree in your craft is necessary.”

The Commission’s Read to Me program has documented success in improving early literacy skills by changing parent/caregiver behavior to increase their time reading to their children and talking about

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what they read. Further state investment in the Read to Me program is a low-cost and effective way to increase early literacy skills and develop proficient readers who will be likely to “Go On” to be successful in post-secondary education and in a career.