

**State Aid for Public Libraries Formula Review  
North Carolina  
Proposed Plan**

**Overview and scope**

The State Library Commission of the State Library of North Carolina will form a State Aid for Public Libraries Review Committee to analyze the efficacy of the State Aid for Public Libraries distribution formula to effectively meet the fund's intended purposes as described under North Carolina General Statute § 125-7 and determine if a modified or different formula is recommended.

**Composition of the committee**

Representatives on the State Aid for Public Libraries Formula Review Committee (aka the Review Committee) will be approved by the State Library Commission as a committee of the State Library Commission.

The review committee will have an odd number of voting members, 9 or 11. Ideally, in addition to representing different library types as outlined below, different geographic areas of the state (Mountains, Piedmont, and Coastal Plain), urban and rural areas, and areas of differing levels of economic prosperity will be represented. While members will represent different types of libraries or communities, all committee members will operate in the best interests of all public libraries.

1. Review Committee Chair – Chair of the State Library Commission (SLC) or another State Library Commission member designated by the SLC Chair
2. Library director #1 – county system
3. Library director #2 – county system
4. Library director #3 – county system
5. Library director #4 – county system
6. Library director #5 – municipal library
7. Library director #6 – municipal library
8. Library director #7 – regional system
9. Library director #8 – regional system
10. and 11. Optional additions: State Library Commission member or designee appointed by State Library Commission: Non-librarian serving as either a library foundation or board member, a library school instructor, or with expertise in finance, law, government, or data analysis

The ex-officio non-voting members

12. State Librarian
13. Director, Library Development
14. Independent contractor
- 15+ advisers/facilitators/contractors etc.

**Formula Review frequency**

State Aid for Public Libraries formula will undergo a formal review in accordance with this plan every 10 years. A review may take place less than 10 years after the previous formula review at the recommendation of the State Library Commission.

**Guidelines for State Aid Formula Reviews**

1. An independent contractor will be included in the process to provide impartial research into alternative formulas and to propose formula options to the committee, including what implementation would look like and mean for different library types.
2. Any changes to the formula must be implemented in a way that does not reduce funds for a particular library type due to the formula change itself. This may mean that a proposed formula may not be implemented unless State Aid for Public Libraries increases by a specified amount or percentage. This is considered the hold harmless amount.
3. All library types will be recognized as being of value to their communities, without a preference of any library type over another.
4. The review process will be transparent to the State Library Commission, NC Public Library Directors Association, public libraries across the state, and other identified interested parties.
5. The State Library of North Carolina will continue to distribute all recurring and non-recurring State Aid to Public Libraries using the formula currently in place unless and until the formula is modified by a formal review. [Note change all to State Aid to Public Libraries.]
6. Decisions will be made by consensus.
7. A quorum shall consist of two thirds of the members. A quorum must exist at any meeting in which decisions are to be made.

#### **Scope of work for the independent contractor**

1. Understand the history, purpose, and evolution of State Aid for Libraries in NC.
2. Attend and facilitate scheduled meetings of the Review Committee
3. Review current North Carolina State Aid formula, relevant statutes and code, and State Aid for Public Libraries Formula Review Plan as provided by the State Library of North Carolina.
4. Review previous state aid formula review reports and history of the reviews, and the documents concerning the history of State Aid to Public Libraries.
5. Analyze a sampling of state aid formulas from other states, and other formulas used by state agencies for the administration of funds to local government entities as appropriate and assess whether a version of any may be relevant or applicable for a State Aid for Public Libraries Formula for North Carolina.
6. Collect or review information and input from libraries on the impact of State Aid on eligible North Carolina libraries and their communities, including questions or considerations provided by Review Committee members.
7. Develop alternate state aid formulas and analyze probable impact and outcomes on libraries/library types. Calculate the hold harmless amount required for each alternative formula.
8. Create a report with recommendations to the review committee concerning the formula. Report must provide information concerning the questions or topics related to the formula requested by the Review Committee. Report must include information concerning the impact of state aid and recommendations (as needed) for state aid in order to meet the intention of the funds per statute.
9. Present findings from report to the Review Committee and respond to associate questions from committee.
10. Other tasks as deemed necessary by the Review Committee.

#### **Scope of work for the Review Committee**

1. Understand the history, purpose, and evolution of State Aid for Libraries in NC.
2. Attend scheduled meetings of the Review Committee

3. Understand the process and framework created by State Aid for Libraries Formula Review Planning Committee
4. Understand current North Carolina State Aid for Public Libraries formula
5. Provide questions and considerations concerning the formula to the contractor from libraries or other interested parties
6. Communicate with interested parties to solicit questions, obtain input and feedback, and provide progress reports
7. Review reports and recommendations prepared by contractor
8. Present draft recommendations to NCPLDA and final recommendations to State Library Commission

**NC Public Library Directors Association responsibilities**

9. NCPLDA will recommend public library directors to serve on the Formula Review Committee through its municipal, county and regional representatives on its board of directors.

**State Library Commission responsibilities**

10. Approve a review process and written plan for reviewing the State Aid for Public Libraries Formula Review.
11. Approve committee members to serve on the State Aid for Public Libraries Formula Review Committee.
12. Ensure the State Aid for Public Libraries formula is reviewed in adherence to the Review Plan.
13. Consider final report and recommendations of the State Aid for Public Libraries Formula Review Committee.
14. Make recommendations to the State Library of North Carolina for consideration by the Secretary of the North Carolina Department of Natural and Cultural Resources.

**State Library responsibilities**

15. Ensure that all recurring and non-recurring State Aid for Public Libraries is distributed in adherence to the official State Aid for Public Libraries formula.
16. Adhering to current state practices and protocols, select and administer the contract for the independent contractor.
17. Provide requested information to contractor and review committee
18. Coordinate the scheduling and logistics of Review Committee meetings
19. Present recommendations of the State Library Commission to the Department Secretary.
20. Reconvene the Review Planning Committee to determine if the formula review process should be formalized.
21. Once the recommended formula is accepted by the State Library Commission and adopted, work with the Department to formalize resulting formula via codification or other means as recommended in consultation with the Department's legal counsel.