



STATE OF HAWAII
HAWAII STATE PUBLIC LIBRARY SYSTEM
OFFICE OF THE STATE LIBRARIAN
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October 21, 2008

TO: The Honorable Eileen Clarke, Chairperson
Committee on Public Libraries & Student Support Services
Board of Education

FROM: Richard Burns
State Librarian

**SUBJECT: DISCUSSION AND RECOMMENDATION OF THE HAWAII STATE
PUBLIC LIBRARY SYSTEM'S FISCAL BIENNIUM 2009-11 EXECUTIVE
BUDGET REQUEST AND THE PROGRAM AND FINANCIAL PLAN
FOR THE PERIOD 2009-2015**

1. RECOMMENDATION

It is recommended that the Board of Education (the Board) Committee on Public Libraries and Student Support Services approve the Hawaii State Public Library System's (HSPLS) biennium operating and capital improvement project (CIP) budget request for Fiscal Biennium 2009-2011, as presented in the enclosed attachments. The impact of the budget cut reductions of \$2,981,746 (10%), and \$4,472,619 (15%) are described and broken down as required. The exact number of positions to be eliminated and libraries to be closed will be based on what we finally receive from the Governor and Legislature for FB 2009-2011. In the meantime, we will be conducting a thorough evaluation and assessment review of all public libraries statewide (see impact statements for the evaluation factors). Once we have identified and received approval from the Board on the libraries to be closed, we will proceed to work with the affected staff, community, stakeholders, etc. on plans to fill these voids. In addition to these two budget scenarios, HSPLS is including additional budget information for the new North Kohala and Manoa Public Libraries set for completion in FB 2009-2011 and the much needed Integrated Library Automation System. We are submitting 3 CIP Budget requests (Form S).

2. RECOMMENDED EFFECTIVE DATE

Upon the Board's approval.

3. **RECOMMENDED COMPLIANCE DATE**

Upon the Board's approval.

4. **DISCUSSION**

a. Condition leading to the recommendation

Governor Lingle issued Finance Memorandum No. 08-10, **Fiscal Biennium 2009-11 Executive Budget Request and the Program and Financial Plan for the Period 2009-2015** on September 11, 2008. Each State department was directed to submit three budget packages reflecting the three funding levels of 10%, 15%, and 20% reductions. No request for additional general funds above the budget ceiling may be proposed.

b. Previous action of the Board on the same or similar matter

On September 4, 2008, the Board approved \$1,192,699 in Governor's restrictions for the HSPLS Supplemental FY 2008-09 Budget.

c. Other policies affected

Board Policy No. 1200-1.12, "HSPLS Budgets" states that Board priorities are articulated through approval of the biennial and supplemental budgets that specify how, where, and in what amount funds are to be expended. The policy was recently amended to specify the details that must be provided to the Board to justify the budget adjustments.

d. Arguments in support of the recommendation

The recommended adjustments comply with Finance Memorandum No. 08-10.

e. Arguments against the recommendation

If the worst of these budget cuts are imposed on HSPLS, the elimination of personnel, the closing of libraries, reduction and/or elimination of many library materials and services will cause major public protests throughout the State.

f. Findings and conclusions of the Board committee

Pending Committee action.

- g. Other agencies or departments of the State involved in the action

Upon Committee and Board action and approval, HSPLS will submit the requests to the Department of Budget and Finance. The Governor will make her final recommendations on the HSPLS FB 2009-2011 Budget and will include it in the Executive Budget Bill for the 2009 Hawaii State Legislature.

- h. Possible reaction of the public, professional organizations, union, DOE staff and/or others to the recommendations

We believe reaction from all these organizations will be outrage and greatly opposed towards these recommendations.

- i. Educational implication

There are many educational implications in these recommendations for budget reductions.

- j. Personnel implications

There are many personnel implications in these recommendations for budget reductions.

- k. Facilities implications

As instructed, HSPLS is only submitting CIP budget requests for an expanded Major Repair and Maintenance program to get projects out quickly to address the current backlog and, at the same time, provide a stimulus to Hawaii's economy. With the two new libraries set for completion, additional operating funds and CIP funds for furniture and equipment are desperately needed to open on time.

- l. Financial implications

The costs of electricity, other utilities, gasoline, books, supplies, facility repairs and maintenance have been increasing dramatically and are expected to continue to increase. HSPLS may need to request emergency appropriations for FY 2009-10 to meet these increased needs provided that they are allowed by the Governor.

5. **OTHER SUPPLEMENTARY RECOMMENDATIONS**

None.

Attachments