

**Texas
Sunset
Advisory
Commission**

STAFF EVALUATION

Banking Department

Savings and Loan Department

Office of Consumer Credit Commissioner

Finance Commission

Texas Library and Archives Commission

**A Staff Report
to the
Sunset Advisory Commission**



TEXAS LIBRARY AND ARCHIVES COMMISSION

SUMMARY

The Texas State Library and Archives Commission was created in 1909. The primary functions of the commission can be grouped into three basic areas: 1) direct library services provided by the agency; 2) development of library services across the state; and 3) management of state and local records.

The results of the review indicated that the agency is generally operated in an efficient and effective manner. The review also examined the need for each of the commission's functions and determined that there is a continuing need for state involvement in these areas.

The review included an analysis of the need to continue these functions in their current organizational setting. While the results of the analysis indicated that there were no substantial benefits to be gained from separation of library and archival functions into two distinct agencies, reorganization within the agency to place these two functions on equal and organizationally separate footing could be considered. The review also indicated that if the agency is continued, several modifications should be made which would improve the efficiency and effectiveness of agency operations.

Approaches for Sunset Commission Consideration

I. MAINTAIN THE COMMISSION WITH MODIFICATIONS

A. Policy-making structure

1. The statute should be amended to provide for the election of the chair and vice-chair by the members of the commission. (statutory change)

B. Agency operations

1. Evaluation of programs

a. Interlibrary Development

1. The statute should be amended to give both the commission and the major resource centers full contracting authority. (statutory change)
2. The statute should be amended to allow the member libraries comprising a major resource system to select an approach to regional governance subject to approval by the Library and Archives Commission. (statutory change)

3. The commission's rules should be modified to require that a formal means be developed in each system for its regional advisory council to provide advice and assistance to the major resource center director in the employment or termination of the system coordinator. (management improvement - non-statutory)
 4. The statute should be amended to permit incentive, establishment, and equalization grants to be awarded from state funds separate from the systems operating grant formula. (statutory change)
- b. Records Management
1. The statute should be amended to eliminate the Records Preservation Advisory Committee and to provide authorization for the creation of the Records Management and Preservation Advisory Committee. The purpose of the new committee would be to make recommendations to improve the state's records management system and to indicate the possible savings that would result if the recommendations were implemented. These findings would be submitted in a report to the Library and Archives Commission, the Legislative Budget Office, the Governor's Budget and Planning Office, and the presiding officer of each house of the legislature on or before March 1 of each even numbered year. (statutory change)
- C. Recommendations for other sunset criteria
1. Open Meetings/Open Records
 - a. The agency should ensure that the notice posted for commission meetings provides a complete list of all items to be discussed. (management improvement - non-statutory)
 2. Public Participation
 - a. The statute should be amended to specify the right of the public to attend and speak at any commission meeting. (statutory change)

3. Conflicts of Interest
 - a. The statute should be amended to ensure that the type of process currently used by the agency to inform commission members and agency personnel of their responsibilities under conflict of interest statutes will be continued in the future. (statutory change)

II. ALTERNATIVES

A. Agency Reorganization

1. **Maintain the current library and archival functions of the agency under an organizational structure which puts the state librarian and state archivist on an equal basis under the administration of an executive director.**

Reorganization would provide for: 1) an executive director with overall administrative responsibility for the agency; and 2) a state librarian and a state archivist on the same organizational level and with equal divisional responsibilities. The primary benefit derived from this alternative would be to recognize archival and direct library functions as distinct, yet equally important activities by giving them equal organizational emphasis. Unlike the method used in some other states, this approach accomplishes that objective without requiring separate agencies.

B. Change in Method of Regulation

1. **Eliminate any commission standard requiring graduation from a library science program accredited by the American Library Association (ALA) and replace it with a less restrictive standard requiring graduation from an institution accredited by the Southern Association of Colleges and Schools.**

Several of the commission's standards concerning professional librarians require graduation from a library science program accredited by the American Library Association. Currently, five state funded universities in Texas offer library science programs, but only three have ALA accreditation. All five institutions, however, are accredited by the Southern Association of Colleges and Schools. Replacement of the ALA

standard with that of the Southern Association would have the benefit of easing restrictive requirements for graduates of non-ALA accredited programs while still ensuring a quality standard.

AGENCY EVALUATION

The review of the current operations of an agency is based on several criteria contained in the Sunset Act. The analysis made under these criteria is intended to give answers to the following basic questions:

1. Does the policy-making structure of the agency fairly reflect the interests served by the agency?
2. Does the agency operate efficiently?
3. Has the agency been effective in meeting its statutory requirements?
4. Do the agency's programs overlap or duplicate programs of other agencies to a degree that presents serious problems?
5. Is the agency carrying out only those programs authorized by the legislature?
6. If the agency is abolished, could the state reasonably expect federal intervention or a substantial loss of federal funds?

BACKGROUND

Organization and Objectives

The Texas State Library and Archives Commission was created in 1909 and is currently active. The commission is composed of six members appointed by the Governor with the advice and consent of the senate for overlapping six-year terms. The statute does not specify requirements for membership on the commission. Operations of the commission are carried out by a staff of 188 and are supported in fiscal year 1982 by an appropriation of approximately \$7.9 million in general revenue and an estimated \$3.6 million in federal grants and other revenue for a total of \$11.5 million.

The Library and Archives Commission is responsible for carrying out a wide variety of functions. These functions can be grouped into three basic areas: 1) various library services provided directly by the agency; 2) services aimed primarily at developing other libraries across the state; and 3) services focused on improving the management of state and local records. Activities within these areas are briefly summarized below.

Direct Library Services. In its role as the main library for state government, the agency provides specific reference and circulation services as well as carrying out various archival and depository responsibilities. With respect to reference-type services, the agency maintains a collection of reference materials aimed at topics of concern to state government. The commission provides assistance to its state agency patrons and other clientele in the use and interpretation of these materials.

The agency also has the statutory responsibility of maintaining a collection of materials giving valuable information about Texas and its history. In compliance with this mandate, a special collection of books and materials either written by Texans or about the state is kept by the commission. In addition, the agency maintains a genealogy collection concentrating on Texas.

The agency has an additional responsibility for providing specialized library services to the blind and other persons whose disabilities preclude their use of conventional reading materials. The agency makes available to these patrons books and magazines in a variety of specialized formats including large type, braille, phonograph recording, and cassette tape. These materials are circulated by mail free of charge to eligible patrons.

Apart from its circulation and reference responsibilities, the agency serves as a depository for state and federal documents. On the state level, the commission has been given statutory authority to collect copies of publications from state agencies. To facilitate access to this information, indexes are prepared and copies of the documents are distributed to designated depository libraries throughout the state. The agency has received federal designation as one of the two regional depository libraries in the state for U. S. Government publications. In compliance with this designation, the library maintains at least one copy of all federal publications and, within the southern half of the state, provides interlibrary loans, reference services, and assistance to selective depository libraries in the disposal of unwanted government publications.

In addition, the commission has the statutory responsibility to preserve records of historical significance in the state. There are two primary mechanisms utilized by the agency to meet this mandate: 1) State Archives which houses official non-current state government records; and 2) regional historical resource depositories which house historically significant documents of local governmental entities. To assist researchers in the use of this material, agency staff prepares and publishes indexes, guides and copies of historical documents.

Interlibrary Services. The Library and Archives Commission carries out a variety of functions to improve public library services offered by cities and counties. The primary means for providing this assistance are grants made by the agency to "major resource systems" of public libraries. There are ten major resource systems across the state. These systems are composed of public libraries which meet accreditation standards established by the agency and which wish to belong to the system. Grants made by the commission to the systems are used for a variety of purposes, including the purchase of books and films, and the provision of consulting services to small libraries in the systems which might need technical assistance.

A second major area of statewide library involvement of the agency concerns the interlibrary loan program. In this program, the agency contracts with major libraries across the state to participate in the interlibrary loan of materials to patrons of public, academic, and special libraries. The state library functions as headquarters of the interlibrary loan network to provide coordination, management, statistical analysis and contract monitoring services.

In its efforts to improve library services statewide, the agency also offers various technical services to libraries around the state. Of primary importance in this area are the continuing education opportunities provided to professionals in the field of library science. This includes conducting workshops to update skills, publishing instructional materials for self-study and maintaining in the state library a collection of reference materials on all aspects of library and information services.

Records Management. In 1947, the state recognized the need for a properly managed system of state records to insure that valuable records were not destroyed due to improper housing and to release space currently used for storage for other more valuable uses. This policy was expanded in 1971 to include management of local records. To meet its statutory mandate, the Library and Archives Commission has developed two systems, one for state records and one for local records.

On the state level, the records management division provides three primary services to Austin-based agency headquarters: off-site storage of inactive and essential records, microfilming essential records, and disposition of records no longer needed by state agencies. In addition, a limited amount of technical assistance is available to state agencies.

The local records division is mandated to provide for an orderly, uniform, statewide system for the retention and preservation of historical documents in the region of their origin or historical significance. To accomplish this, the County Records Manual was developed as the official records retention guide for county officials. The agency assists county and other local officials who are interested in developing a system to manage their records through consultation, training and on-site assistance.

The review of the operations of the commission indicated that, in general, the agency has been efficient and effective in carrying out its responsibilities. Areas of the evaluation that are of particular importance or concern are covered in the pages that follow.

REVIEW OF OPERATIONS

The evaluation of the operations of the agency is divided into general areas which deal with: 1) a review and analysis of the policy-making body to determine if it is structured so that it is fairly reflective of the interests served by the agency; and 2) a review and analysis of the activities of the agency to determine if there are areas where the efficiency and effectiveness can be improved both in terms of the overall administration of the agency and in the operation of specific agency programs.

Policy-Making Structure

In general, the structure of a policy-making body should have as basic statutory components, specifications regarding the composition of the body and the qualification, method of selection, and grounds for removal of the members. These should provide executive and legislative control over the organization of the body and should ensure that the members are competent to perform required duties, that the composition represents a proper balance of interests impacted by the agency's activities, and that the viability of the body is maintained through an effective selection and removal process.

The Library and Archives Commission is composed of six members appointed by the Governor with consent of the senate for overlapping six-year terms. There are no specific requirements for membership on the commission. The review showed that the structure of the board is generally appropriate for this type of agency. However, the review indicated one concern in this area.

The current statute does not specify a means for the election or appointment of a chairperson or vice-chairperson of the commission. Statutes of other agencies have provisions regarding those positions. To provide a clear basis for the positions, the statute should be amended to authorize the commission to select the chair and vice-chair from among its membership.

Overall Administration

The evaluation of the overall agency administration focused on determining whether the management policies and procedures of the agency, its monitoring of management practices, and its reporting requirements were adequate and appropriate for the internal management of time, personnel and funds.

In general, the agency has employed acceptable management practices to ensure its operations are conducted in an efficient and effective manner. The

agency has structured its hiring and promotion procedures to obtain suitably qualified individuals for job openings and also to fill vacancies by promotion of current employees whenever possible. However, the performance evaluation forms used in the past have not always matched the initial job task statements. When promotions are based on how well an employee performs assigned tasks but the appropriate tasks are not correlated with the evaluation forms, it may cause an evaluation to be made inadequately. The agency is aware of this problem and is presently in the process of making the proper adjustments. The review further indicated that there was a lack of uniformity in job descriptions among similar agency positions. Currently, division heads are responsible for writing these descriptions and the personnel office monitors the process. The agency has identified this problem and is in the process of standardizing those job descriptions. One other concern relates to employee training procedures. In the past, division heads have been responsible for providing new employee orientation and supervisor training. The orientation was discontinued for lack of appropriate staff and supervisor training had proved to be inadequate. The agency has hired staff to conduct new employee orientation and to design a supervisor's training manual.

With respect to monitoring activities, the agency has developed generally adequate procedures to monitor its operations. Each division manager makes monthly reports on his division's operations, and the division heads also meet in regularly scheduled monthly meetings with the agency director to discuss problems and possible solutions regarding their operations. In addition, agency accounting procedures are adequate to ensure proper management of fiscal resources. The agency's management has also adopted an automated inventory procedure in order to provide adequate control and security over the physical assets of the agency.

Evaluation of Programs

The programs of the agency are directed to multiple functions. While all of these functions were included in the scope of the evaluation, only the most significant problems developed during the review are covered in the material which follows.

Interlibrary Development

The Library and Archives Commission has the responsibility under the Texas Library Systems Act and the federal Library Services and Construction Act to improve library services for the entire population of the state. The program designed to accomplish this purpose combines the use of both grant funds and

quality standards in a "carrot and stick" fashion. State and federal grants are made available to public libraries in the state, but to be eligible to receive these benefits the libraries must meet minimum accreditation standards established by the state library.

The review of this program centered on three elements: the overall framework used to operate the program, accreditation requirements for libraries, and the actual grants allocation process. Each of these areas is examined below.

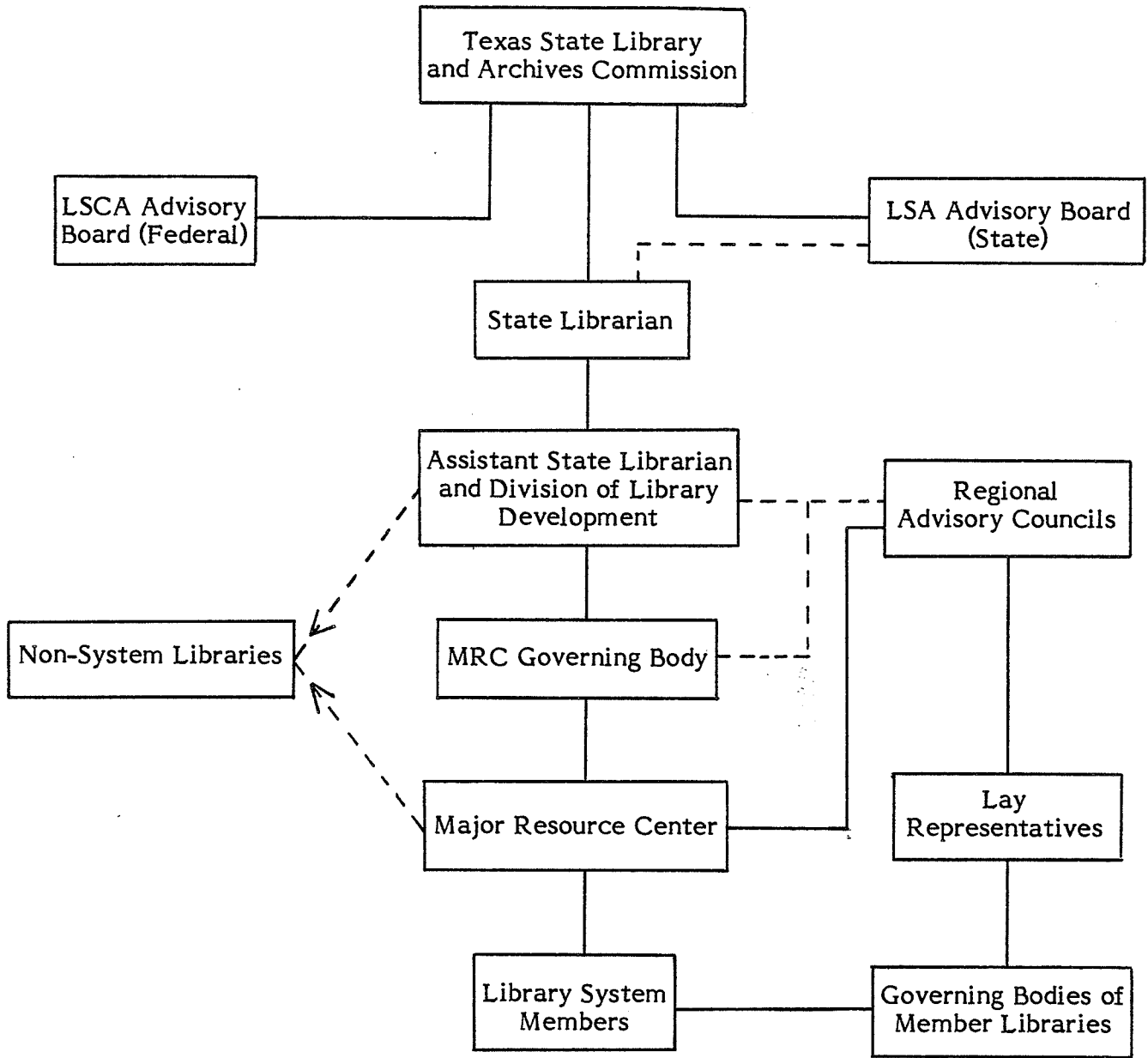
Organizational Framework. The public library development program makes use of an organizational pattern that involves state level oversight of regional "major resource systems" of libraries (Exhibit A). At the state level, the Library and Archives Commission is responsible for overall direction and administration of the program. The commission is assisted in its responsibilities by two statutory advisory bodies. State law establishes an advisory board composed of five librarians to advise the commission on policies to be followed in the program. In compliance with the federal Library Services and Construction Act, the commission has also established a second advisory body to assist with agency activities funded under that act. Since funding received from this source is used in areas besides the library development program, the members of this body, currently numbering 13, are broadly representative of a variety of agency activities including the public library development effort.

Beneath the state level structure formed by the commission and advisory bodies are ten regional major resource systems which cover the entire state (Exhibit B). Any type of public library which meets the commission's membership standards can voluntarily become a member of the resource system within which it is physically located. Apart from the library members that comprise the systems, in practice there are two primary components to the organizational framework of the library regions. For each regional system, the Library and Archives Commission has designated a large municipal public library to act as the "major resource center" (MRC) for the region. Under contract with the Library and Archives Commission, the major resource centers handle grant administration activities for the systems and provide various library services to other system members. Current MRCs are located in Abilene, Amarillo, Austin, Corpus Christi, Dallas, El Paso, Fort Worth, Houston, Lubbock, and San Antonio.

The second active component of the regional system structure is the system advisory councils. Each system has an advisory council whose purpose is to advise

EXHIBIT A

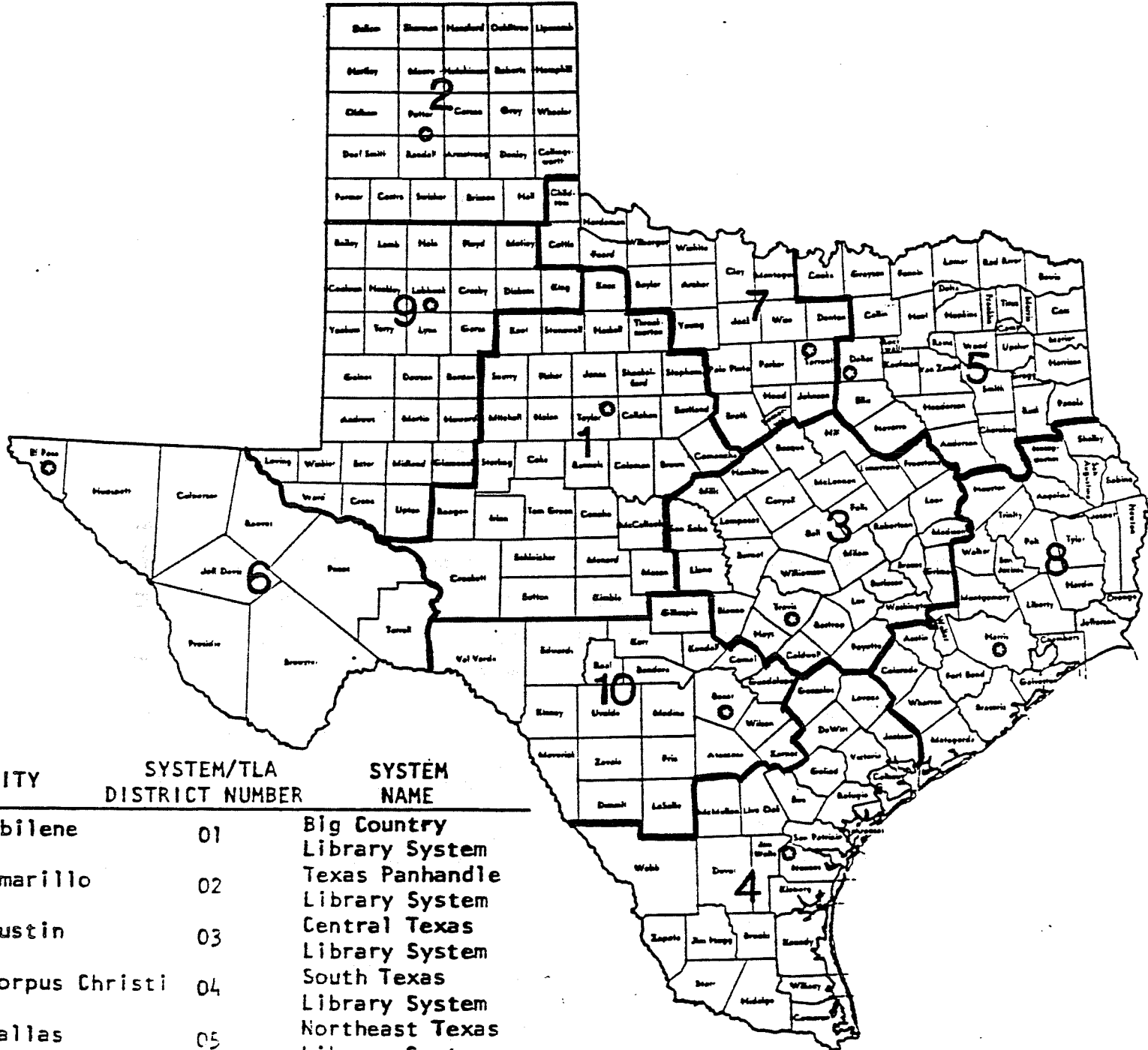
Organizational Framework for the Texas Library System



— Formal channels of communications

- - - Informal channels of communications

EXHIBIT B
Regions for the Texas Library System



CITY	SYSTEM/TLA DISTRICT NUMBER	SYSTEM NAME
Abilene	01	Big Country Library System
Amarillo	02	Texas Panhandle Library System
Austin	03	Central Texas Library System
Corpus Christi	04	South Texas Library System
Dallas	05	Northeast Texas Library System
El Paso	06	Texas Trans Pecos Library System
Fort Worth	07	North Texas Library System
Houston	08	Houston Area Library System
Lubbock	09	West Texas Library System
San Antonio	10	San Antonio Area Library System

and assist the major resource center and the governing boards of member libraries in the development and operation of the program. The composition of the advisory council is generally representative of member libraries and is determined through a two step process. The governing body of each member library within a system elects or appoints a representative. In turn, these representatives elect six lay persons from among themselves to serve as advisory council members for the system.

In examining this state/regional framework for public library development, an effort was made to determine whether the current structure offers sufficient flexibility to meet the varying need of the different regions of the state. In addition, a review was also made to determine whether current staffing arrangements for the system at the regional level are appropriate.

The question of flexibility can be approached from both program and administrative aspects. In general, the current organizational framework allows for sufficient flexibility in the development of programs. The Library and Archives Commission sets the budgetary limits for each region and sets out broad program guidelines. However, the basic program of services is developed "from the ground up" at the system level, subject to final approval of the State Library. The basic pattern that is followed in the systems involves the preparation of long range plans and annual programs of service by the major resource center. System members are often actively involved in preparation of these documents, and by agency rule, the regional advisory councils are required to review and comment to the State Library as to their agreement or disagreement with the system plans and programs of service. This grass roots approach to program development has allowed the ten regions to develop library programming tailored to the specific needs of each geographical area.

An examination of the administrative flexibility present in the existing organizational framework indicates that, while the current arrangement has worked satisfactorily in most cases, two areas were found where improvements could be made. The first of these areas concerns the authority of both the major resource centers and the commission to enter into contractual arrangements under the state's library statutes. The State Library Systems Act authorizes the commission and the governing bodies of the major resource centers to enter into contracts with other libraries both in and out of the system, and to provide specialized resources and services to the major resource systems (Article 5446a,

V.A.C.S.). However, clear authority of the commission and major resource centers to provide contracted services going in the opposite direction--from the systems to libraries outside this framework--is limited in the state's library laws to projects involving only federal dollars.

A practical difficulty caused by this contracting limitation relates to the agency's interlibrary loan program (described in detail in Grants Allocation section). In the past, this program has been entirely supported through federal grants received by the commission. Under its contracting authority with respect to federal funds, the agency has been able to use these grants to provide contracted interlibrary loan services to patrons of libraries that are either non-members or members of the regional library systems. However, federal funds for this program are unstable and are currently in jeopardy. In the event that federal funds were reduced or discontinued and replaced with state dollars, the commission would not have the clear statutory authority to continue providing interlibrary loan services to libraries that were not members of a library system.

The incomplete contracting authority set out in the Library Systems Act is also undesirable for a second reason. In the library area, significant savings can potentially be attained for both system and non-system members through the contractual sharing of library materials and resources. For this approach to work in an optimal fashion, the major resource centers would need to be authorized to contract for both the receipt of services for the systems and the provision of services to libraries outside the systems. While the Library Systems Act does not address the aspect of provision of services outside the systems, the major resource centers probably have this authority indirectly through general state law. However, the absence of full contracting authority in the Act raises a question as to the limits of resource center power and reduces general awareness of all contracting possibilities. To resolve this question and to ensure continued authority for providing interlibrary loan services in the current manner, the Library Systems Act should be amended to give both the commission and the major resource centers full contracting authority.

Another area of concern regarding the administrative flexibility of the library system framework concerns the role of the major resource centers. Under the current framework, each regional library system is locked into the use of a major resource center library as the principle governing authority for the region. Two major problems have resulted from the inflexible use of major resource

centers in this chief administrative capacity. The first problem stems from the dual role played by the major resource center as the governing body for a library system and the major municipal library for a city.

As the library system governing authority, the major resource center takes the lead in developing the budget and programs of service for the system. Apart from its system role, the MRC Library has a more direct and immediate responsibility to provide services to its municipality under the supervision of its library governing board and city council. Since the interests of an MRC's municipality and the overall needs of a regional library system are not necessarily identical, potential conflicts of interest exist in the dual role played by the major resource centers. Interviews with representatives from various library systems indicated that such conflicts are perceived to occur. Given the fundamental position of the major resource centers in the operations of the systems, either the existence or perception of biased MRC administration can present problems in the stability of the systems.

The second problem resulting from the inflexible governance structure relates to the cost of MRC grant management. As system administrators, the major resource centers are the money managers for the library regions. The MRC municipalities receive and account for the systems' grant funds and oversee their expenditure. An MRC city is entitled to receive a percentage of its system's grant funds to pay for the indirect costs associated with handling this money for the region.

Until fiscal year 1983, the percentage that MRC cities were allowed to charge for indirect costs was limited by agency rule to no more than five percent of the direct costs of system grants. However, this policy was changed by the state's Uniform Grant and Contract Management Act of 1981 (House Bill No. 391, Sixty-seventh Legislature). This legislation relates generally to state grant management requirements for local governments. As one of the results of the act, an MRC city is authorized as of September 1, 1982, to charge an indirect cost fee set at the level negotiated by the city with the federal government for the administration of federal and state grants. Under this new approach the Library and Archives Commission has no authority to vary the indirect cost percentage.

The end result of this change in the indirect cost policy is that a greater percentage of system grants will be dedicated to administrative expenses. Correspondingly, the amount of grant funds available for substantive services to

the systems will be reduced. It is estimated that, under the old five percent rate, about \$237,000 of system operation grants for 1983 would be spent for indirect costs. In contrast, under the new percentages in effect, this amount is expected to be approximately \$352,000, or seven percent of total system grants. While this average increase generally appears modest, the indirect cost increase for certain individual systems is dramatic. For example, the new indirect cost rate to be charged by the Dallas major resource center will equal about 16 percent of that system's total operation grant for 1983. Corresponding figures for Fort Worth, Corpus Christi, and Amarillo are 14 percent, 13 percent, and 12 percent. Given these increasing percentages for indirect costs charged by the MRC cities, it is possible that grant administrative activities could in some cases be carried out more cheaply through some alternative administrative arrangement. However, the system's governance structure does not allow for this possibility.

To address both the conflict-of-interest and indirect cost concerns present in the MRC-based governance structure of the library systems, the Library Systems Act should be amended to provide for additional governance flexibility. This flexibility should allow the members of a major resource system to select an alternative approach to regional governance that does not rely on MRC-based administration for the system. At the state level, the Library and Archives Commission should exercise final approval authority over a system's proposed changes in governance design to ensure that modifications appropriately meet statewide program concerns.

As an example of a major governance alternative which could be considered, members of a library system could establish a non-profit corporation for the provision of services to the system. A number of Texas cities currently use this model to provide library services for its citizens. In this alternative, the governing body of the corporation could be either elected or appointed by the system's library membership. In contrast with the MRC-based system, the alternative could thus provide for direct control over the system's administrative body by the membership.

A second possibility would be for a library system to receive contracted services from another type of existing political subdivision such as a council of government or an education service center. Unlike the MRC-based system, these contracting agents could be selected voluntarily and would not be public libraries

eligible for benefits. Thus, the vested interest that the major resource center currently has in the administration of the grant is eliminated under this approach.

In addition to the issues of program and administrative flexibility, the review also focused on the appropriateness of the staffing structure used for the library systems. The primary staffing positions that exist for most library systems are those of the major resource center director and the library system coordinator.

The major resource center director is the chief administrative staff person for a library system. This position is automatically held by the director of the large municipal library which acts as the major resource center for a system. The director's position is thus controlled by the governing board of the city library and ultimately its city council.

Since the major resource center director works at the pleasure of his library governing board but provides administrative direction for the system, an inherent conflict of interest potentially exists in this position. However, under current state law there is no practical way to eliminate this potential conflict.

In addition to the major resource center director, the second primary staff person for most systems is the system coordinator. The coordinator is housed in the major resource center and generally oversees the programs and operations of the system on a day-to-day basis.

The use of a coordinator by the systems is a reasonable staffing approach. The major resource center director is involved in many activities other than system operations, and the coordinator in most systems fills this void by acting, in essence, as the system program director. However, one concern can be raised with regard to this position.

The major resource system director in each of the systems has the authority to hire and fire the system coordinator. As chief administrator for the system, this authority is appropriate. However, since the coordinators generally work full-time to provide services to member libraries in the system, it would also be reasonable for these libraries to be involved in coordinator selection and tenure in some fashion. As a particular benefit, active participation of the system members would help to lessen the perception found in some systems of MRC bias toward its home city by ensuring that members' concerns in this area are heard.

The review indicated that a formal means for member libraries to provide input on the employment of system coordinators generally does not exist in most regions. To ensure this input, the Library and Archives Commission should require

by rule that the advisory council representing the library members of each system provide advice and assistance to the major resource center director in the employment or termination of coordinators. The approach to be used to provide this advice should be set out in the systems' bylaws and subject to the approval of the commission.

Membership. To qualify for membership in a major resource system and be eligible for grants, libraries must meet certain criteria defined by the Library and Archives Commission in their rules and regulations. These standards establish specific requirements in four broad areas: 1) per capita support; 2) materials collection; 3) hours of access; and 4) staff qualifications. The following exhibit (Exhibit C) identifies the specific requirements by population size.

As indicated in the exhibit, the requirements are graduated based on six population groupings. These graduated requirements appear to be appropriate because the needs and capabilities of different libraries will vary based on the size of the population served and the tax base available for expenditures. A library in a town of less than 10,000 will have fewer needs and a more limited budget than a city library serving over 200,000 people. These factors appear to have been considered when the graduated requirements were developed.

The review also looked at the system membership standards to identify whether they are established in an appropriate manner. The statute requires that the State Librarian, with the advice of the Library System Act Advisory Board, formulate qualifications for system membership. The advisory board, described previously, represents the interests of librarians and seems appropriate. The agency has also sought and incorporated suggested changes from individuals and libraries affected by the Act. The review determined that the method used by the agency to establish standards is appropriate.

Grants Allocation. System membership carries with it eligibility for various types of grants depending on availability of state and federal funds. These grants include establishment, incentive, equalization, and system operations. Funds are also provided to each region's major resource center for the operation of an interlibrary loan service, although not limited to system members, and is mentioned here because of its value to the system and the amount of money it represents.

Establishment grants are designed to provide assistance in collection development and equipment purchases to counties without library service. Establishment

EXHIBIT C
System Membership Standards

<u>Population Served</u>	<u>Per Capita Support</u>	<u>Materials Collection</u>	<u>Hours of Access</u>	<u>Staff</u>
200,001 and over	\$2.80	one item of library materials per capita or expend 25% on library materials	not less than 64 hours per week	six professional librarians* and one additional librarian for every 50,000 persons served**
100,001-200,000	\$2.40	one item of library materials per capita or expend 25% on library materials	not less than 54 hours per week	four professional librarians* and one librarian for every 50,000 persons served**
50,001-100,000	\$2.20	one item of library materials per capita or expend 25% on library materials	not less than 48 hours per week	at least two professional librarians*
25,001-50,000	\$1.80	one item of library materials per capita or expend 25% on library materials	not less than 40 hours per week	at least one professional librarian*
10,001-25,000	\$1.50	one item of library materials per capita or expend 25% on library materials and have a minimum of 7,500 items	not less than 30 hours per week	have a staff member who is employed in library duties at least 30 hours per week
10,000 or less	\$1.20***	one item of library materials per capita or expend 25% on library materials and have a minimum of 7,500 items	not less than 20 hours per week	have a staff member who is employed in library duties at least 20 hours per week

*A professional librarian is defined as a librarian holding an ALA accredited fifth year degree in librarianship or master's degree from an ALA accredited library school.

**An additional professional librarian must be assigned to system duties if the library is a Major Resource Center.

***A public library shall have minimum local expenditures of \$5,000.

grants are allocated on the basis of one dollar for every two persons within the service area, with a dollar for dollar match by the state of each local dollar received from local tax sources above the required minimum. Incentive grants encourage small libraries to join together to form large units of service for more efficient use of services. Incentive grants are allocated in the same manner as establishment grants except the basis of local tax support is one dollar for every five persons within the service area. In both grant programs, renewal is limited to three years, the minimum grant amount annually is \$20,000, and both assist small libraries to meet requirements for system membership. The use of system membership criteria as prerequisites for receipt of these grants ensures that the newly formed library has adequate local support, a better opportunity for long-term survival, and an opportunity to continue receiving benefits from system membership even after the grant terminates. Since fiscal year 1972, eight establishment grants have been awarded bringing library services to 91,295 persons. Incentive grants for this same time period have formed six federated library systems serving thirty-five member libraries and 598,242 persons. Of these thirty-five member libraries, eighteen did not qualify for system membership prior to the incentive grant.

Equalization grants are designed to assist libraries in communities with relatively limited taxable resources to achieve system membership. To date, no equalization grants have been awarded primarily due to insufficient state and federal funds.

System operation grants are awarded to each major resource system, operating under a commission approved program of services and budget, based on the formula specified in statute. The formula requires that 25 percent of systems funds be divided equally between the regions and the other 75 percent be apportioned on a per capita basis. The State Library informs each major resource center of the approximate amount of funds which will be available for the upcoming fiscal year. Each major resource center then uses this information, along with advice from its regional advisory council and membership, to develop a proposed annual program of service and budget estimate for commission approval. Services provided to system members vary from region to region depending on the unique characteristics and needs of the particular region. In general, the systems provide services and specialized programs which address those particular regional needs. Funding for the major resource systems in fiscal year 1982, was approxi-

mately \$4 million in state funds and \$1.5 million from federal funds. During this fiscal year, 305 out of a total of 383 public libraries in Texas participated in system programs. Overall, funds in fiscal year 1982 provided the following services: materials acquisitions, thirty-seven percent (37%); film service, nineteen percent (19%); system circulation, three percent (3%); technical assistance, fifteen percent (15%); books by mail, three percent (3%); publicity, two percent (2%); other programs, seventeen percent (17%); and indirect costs, four percent (4%).

In addition to these grants, the commission operates another activity, the interlibrary loan program, through the ten major resource centers, but under a separate contract. This contract for services is negotiated annually by the major resource centers. The aim of this program is to provide broad access to library materials for the patrons of any library in the state. When a patron requests library materials which the local library does not own, the request is sent to the major resource center in that region. The MRC supplies the item if it is available or forwards the request on to a library which can fulfill the request. Allocations for interlibrary loans are based on previous levels of service provided by each MRC using trend analysis projected over three years. In fiscal year 1982, approximately \$1 million of federal funds was granted to the major resource centers to provide staff, supplies, and equipment to operate this service. In addition, \$52,613 of federal funds were paid to 31 academic libraries through service agreements based on a reimbursement rate of \$3.50 per request filled from their collections.

The review of these programs focused on whether grant funds are distributed in a reasonable manner and whether the monitoring process is appropriate. The method used by the commission to allocate federal funds met with federal requirements for maintenance of effort. The commission has allocated state funds for the systems in the manner prescribed by the statutory formula. In general, the use of a statutory formula for this program is appropriate. The formula ensures a consistent and uniform approach in the allocation of funds among a fixed number of system grantees. However, one problem was identified related to the current statutory wording used to establish the formula allocation procedure.

Initially only state funds were available for distribution and the Library System Act specifies that state funds have to be allocated based on the formula designed for system operation grants. Since the creation of the Act, federal funds have become available for use in raising the quality of library services to a point that the library becomes eligible to participate in the state formula funding. It is

possible that federal funds will be discontinued and if this occurs and state funds are made available, the statute should be amended to permit incentive, establishment, and equalization grants to be awarded separately from the systems operation grant formula.

Once funds have been allocated, the commission has the responsibility to monitor the expenditure of funds to ensure that federal and state requirements are met. Procedures currently in place by the agency vary depending on the type of grant. However, all recipients of grants are required to prepare and submit to the State Library an annual expenditure report, an independent audit, and an inventory of property valued over \$50 which was purchased with state or federal funds. Agency procedures to monitor grants are adequate to ensure that state and federal funds are spent appropriately.

Records Management

In 1947, the state developed a comprehensive statutory policy for the establishment of a systematic mechanism for the creation, use and disposition of all public records. This was expanded in 1965 to ensure that records essential to the operation of government and the protection of individual rights were identified and preserved. The Library and Archives Commission is responsible for administering the state's records management policy, with all other state agencies being responsible for their individual record systems.

In the evaluation of the state policy on records management, three major elements were identified and are covered by the review. These were general management of public records, identification and preservation of essential records, and storage of records. The review focused on each of these elements to determine how well the state policy is working in practice.

General Records Management. Under the current statutory policy relative to general records management, each agency is given the primary responsibility for the management of its records and for determining when to destroy records that are no longer useful to the operations of the agency. Within this framework the Records Management Division of the State Library has specific authority to: 1) provide direction to state agencies in the surveying, indexing and classification of all public records; and 2) establish standards for the development of retention schedules which are used by agencies to determine how long they should keep records.

The review of this function indicated that the division has responded to requests for assistance when they were made by a state agency and that it has developed a recommended retention schedule for use by state agencies.

At the present time only limited technical assistance is available to state agencies upon request. The technical services program is being expanded, but is still in the developmental stage at this time. The division plans to inform all state agencies of their services by brochure, to assess the needs of agencies through a survey, and to expand the consultation and training services available.

Currently, the division has little knowledge of whether the methods used by state agencies are appropriate for the management of their records, and whether agencies are actually eliminating useless records.

Essential State Records. The legislature has determined that records containing information essential to the operation of government and the protection of the rights and interests of individuals must be protected against the destructive effects of all forms of disaster and must be available when needed. To accomplish this, legislation was adopted in 1965 to ensure the selection and preservation of essential state records. The director of the Records Management Division is the designated Records Preservation Officer for the state. He is mandated to establish and maintain rules and regulations concerning the selection and preservation of essential records. The records supervisors of all state agencies have the responsibility to inventory the state records in their control, identify those records that are essential, submit a report of the inventory including identification of essential records to the Records Preservation Officer, and review this report periodically and revise as necessary. Once the essential records are identified, the Records Preservation Officer is responsible for making "preservation duplicates", prescribing the place and manner for storage of these duplicates and allowing access to them as needed.

To assist in this process, the Records Preservation Advisory Committee was created. It is composed of the State Librarian, Secretary of State, State Auditor, State Comptroller, Attorney General, or their delegated agents, the Secretary of the Senate and the Chief Clerk of the House of Representatives, all of whom serve as ex officio members of the committee. Their functions as defined by the statute are to advise the Records Preservation Officer, appoint consultants as needed to obtain professional advice, set bond for the State Librarian and the Records

Preservation Officer, and review with the Records Preservation Officer the essential records program at least biennially.

The review and evaluation of this function indicated that there has been only limited progress in the systematic identification and preservation of essential state records. The Records Preservation Officer has not established written rules and regulations and state agencies have been provided guidance in this area only upon request. No essential records reports have been submitted to the Records Preservation Officer, although some state agencies have obviously designated some of their records as essential state records and have requested preservation duplicates. In fiscal year 1981, the Records Management Division received and responded to 10,327 requests for preservation duplicates. Through June of fiscal year 1982, 7,452 preservation duplicates have been requested and reproduced. It is projected that over 9,000 preservation duplicates will be made by the end of fiscal year 1982. The Records Management Division provided storage of preservation duplicates in their vault for 50 agencies in fiscal year 1981 and 49 agencies through June of fiscal year 1982.

Sufficient storage space for essential records is not available. The current capacity of the Records Management Division's vault is 100,000 reels of microfilm. As of June 30, 1982, 104,060 reels were being stored. File cabinets have been ordered which will increase the capacity of the vault to 110,500 reels. However, approximately 750 reels are added per month and it is projected that its expanded capacity will be reached in April of 1983.

The purpose of the Records Preservation Advisory Committee is so broadly defined in the statute that the committee has not been an effective body for ensuring that essential records are identified and preserved. One of the primary accomplishments of the committee has been the review and approval of retention guidelines for state agencies. They have also served as a sounding board for the various activities of the Records Management Division. However, the review of the minutes of the meetings of the committee over the past four years did not show any discussion of essential records.

Records Storage. An integral part of a records management system includes the provision of off-site storage of inactive records. The Records Management Division provides this service, but only in a limited fashion. The Records Center building was completed in April of 1972 at a cost of \$631,691 and has a capacity of 176,000 cubic feet. It has been projected that the records center will reach

capacity in January of 1983. It currently holds 161,000 cubic feet of records and provides storage for only 52 state agencies. The services offered have included advising these agencies on the development of retention schedules, ensuring that inappropriate material is not stored at the Records Center, providing access to inactive records to properly authorized individuals, and disposition of records when their retention period expires.

Provision of these services is appropriate, but they are only being provided to 52 agencies. It has been estimated that only 20 percent of all inactive state records are currently stored at the Records Center and that the remaining 80 percent (704,000 cubic feet) are stored in state-owned or leased space.

Surveys made during the review indicated that forty-five of the fifty states have a records center for the storage of semicurrent records. They range in size from 1,500 to 381,000 cubic feet. In 1980, twenty-six of these states estimated amounts of savings attributable to their records management program ranging from \$90,000 to \$22 million.

The review of the records management function of the state indicated that it was defective in several respects. First, there is no real mechanism to give overall direction to this function. This is particularly important given the fact that state records are held and managed by over 200 state agencies. One means of providing this direction would be to restructure the current Records Preservation Advisory Committee so that major agencies which hold and manage the bulk of state records are included as members. In addition, the State Purchasing and General Services Commission should be included because of its responsibility for providing leased space to agencies which includes space for the storage of records.

The second major defect in the current system is that there is no overall guidance given in the statutes as to results expected from an efficient and effective management system for state records. There is no assigned responsibility to develop information on the current and projected cost of storage of inactive records in state-owned or leased office buildings; methods by which this cost could be reduced or avoided; the cost-effectiveness of developing and using realistic retention schedules; cost-effective methods for microfilming of records; and cost-effective methods for the destruction of records. If the advisory committee were assigned these specific responsibilities and required to report to the Governor and legislature on their findings, appropriate decisions could be made for the improvement of state records management.

EVALUATION OF OTHER SUNSET CRITERIA

The review of the agency's efforts to comply with overall state policies concerning the manner in which the public is able to participate in the decisions of the agency and whether the agency is fair and impartial in dealing with its employees and the general public is based on criteria contained in the Sunset Act.

The analysis made under these criteria is intended to give answers to the following questions:

1. Does the agency have and use reasonable procedures to inform the public of its activities?
2. Has the agency complied with applicable requirements of both state and federal law concerning equal employment and the rights and privacy of individuals?
3. Has the agency and its officers complied with the regulations regarding conflict of interest?
4. Has the agency complied with the provisions of the Open Meetings and Open Records Act?

EVALUATION OF OTHER SUNSET CRITERIA

The material presented in this section evaluates the agency's efforts to comply with the general state policies developed to ensure: 1) the awareness and understanding necessary to have effective participation by all persons affected by the activities of the agency; and 2) that agency personnel are fair and impartial in their dealings with persons affected by the agency and that the agency deals with its employees in a fair and impartial manner.

Open Meetings/Open Records

The review of this area indicated that the commission has generally complied with the provisions of the Open Records Act and the Open Meetings Act. It was noted, however, that on several occasions between 1978 and the present time, the commission has made decisions on specific topics that were not listed in the official notice given by the agency for commission meetings. In general, state law indicates that action taken by an agency on a subject which is not stated in the notice posted for a meeting is voidable. To ensure compliance with the notification requirements of the Open Meetings Act and the continued viability of commission decisions, the agency should take steps to ensure that topics to be discussed or acted upon are properly referenced in the notice given for commission meetings.

EEOC/Privacy

A review was made to determine the extent of compliance with applicable provisions of both state and federal statutes concerning affirmative action and the rights and privacy of individual employees. As the result of a discrimination suit filed against the agency, the commission revised its affirmative action plan in 1978. The plan contains specific minority placement goals agreed upon by the agency and the Equal Employment Opportunity Commission for the clerical, technical, professional, and administrative job categories. The plan also sets out a timetable for meeting overall goals by 1983. The review showed that interim minority placement goals in the professional and administrative categories scheduled to be achieved by December 1981 had not been met as of that date. The agency indicates that this problem stems from low agency turnover in the administrative and professional areas and a scarcity of qualified minority candidates to fill positions that have become available.

Public Participation

The commission encourages public participation and informs the public of its activities and services through various means including newsletters, media announcements, and workshops and seminars on topics concerning library services. The commission is also required by statute to meet at least once annually, which ensures the public a degree of access to the commission on a yearly basis. While this opportunity exists, there is no corresponding statutory language which explicitly sets out the public's right to appear and testify before the commission at any of its meetings. Given the importance of public participation in an agency's decision-making process, it would be appropriate for such a policy to be set out as part of the statutory framework of the agency.

Conflict of Interest

The review showed that the agency has established adequate procedures for making commission members and employees aware of their responsibilities under the conflict-of-interest statutes. Each new commission member and each new employee receives a copy of the statute on standards of conduct of state officers and employees with a request that the law be read. Each new employee is required to sign a written statement indicating that the employee has received a copy of the statute. While the agency's procedures are adequate, it would be more appropriate if this were a part of the statutory framework of the agency because of the importance of proper notification to commission members and employees. The agency's statute should therefore be amended to require that the type of procedure currently used by the commission is continued.

**NEED TO CONTINUE AGENCY FUNCTIONS
AND
ALTERNATIVES**

The analysis of the need to continue the functions of the agency and whether there are practical alternatives to either the functions or the organizational structure are based on criteria contained in the Sunset Act.

The analysis of need is directed toward the answers to the following questions:

1. Do the conditions which required state action still exist and are they serious enough to call for continued action on the part of the state?
2. Is the current organizational structure the only way to perform the functions?

The analysis of alternatives is directed toward the answers to the following questions:

1. Are there other suitable ways to perform the functions which are less restrictive or which can deliver the same type of service?
2. Are there other practical organizational approaches available through consolidation or reorganization?

NEED

The analysis of need and alternatives is divided into: 1) a general discussion of whether there is a continuing need for the functions performed and the organizational setting used to perform the function; and 2) a specific discussion of practical alternatives to the present method of performing the function or the present organizational structure.

Functions and Agency

The primary functions of the Library and Archives Commission are to provide direct library and archival services for state government, to assist in the development of public libraries across the state, and to provide leadership and assistance in records management for state and local governments. The review examined each of these areas separately to see if a need still exists for these functions.

With respect to library and archival services for state government, these services were among the first provided by the agency. As state government grew in size and importance, it became apparent that there was a need to maintain an organized and central information base for the state as well as to protect and preserve the official records and documents of the state. Since the original provision of these services, the informational and archival needs of the state have expanded rapidly along with the huge growth in state government itself, indicating a continuing need for this function.

With respect to the development of the public library system, the State of Texas has provided for a system of libraries since 1874 when the legislature authorized incorporated cities to establish free libraries and to appropriate part of the revenues of the city or town to manage and support the library. The increasing demand of citizens in rural areas for free public library service prompted the legislature to authorize the establishment and support of a county library system in 1915, however, no state funds were appropriated until 1928. The state's involvement in this area stemmed from pressure from individuals interested in the development of local libraries. When these individuals began to face the problems inherent in a locally funded service, i.e. limited financial support and shortage of personnel with adequate professional knowledge and technical skills, the idea developed that the state, as well as local government, was responsible for the financial support and regulation of public libraries. The rationale for state support

was the enhancement of the public's general welfare by assisting in the spread of public education throughout the state. To ensure this, the state began regulation in 1917 of professional librarians working in county libraries and municipal libraries receiving county funds.

The state's involvement in the provision of library services has changed several times since 1928, but was expanded most significantly with the enactment of legislation in 1969 establishing state library systems and authorizing these systems to receive state and federal grants. This type of support was needed since public libraries were heavily dependent on local support and, historically, local governments in Texas were reluctant to appropriate funds for libraries. This reluctance had substantially hindered library development at the local level.

To accomplish its objective of improving statewide library service through a state system, the Library and Archives Commission developed standards for public library membership which included local support, size of materials collection, hours of access, and staff qualifications. The incentive for local libraries to comply with these standards was the provision of state or federally funded services which, in many cases, could not be afforded at the local level.

The review of the commission's effort to develop a statewide system of libraries showed that this need still exists. Currently, 79 percent of the public libraries in the state have qualified for and accepted state membership. Of the 78 libraries which do not hold membership, all but 2 serve populations of less than 25,000 persons. This suggests that special effort is still needed to encourage and assist library development in the state's smaller cities and towns and in sparsely populated counties.

With regard to its records management function, the commission first became involved in this area in 1947. However, the Records Management Division did not receive its first appropriation until 1952. Underlying the establishment of this function was the growth of both state and local governments. With this growth came an expansion in records and increasing costs to store and retrieve government paperwork. The records management functions of the agency were authorized to help keep these costs down. Since establishment of the program, government records have continued to increase in size, and appropriate maintenance and storage for these records continues to be a problem. It therefore appears that a need for this function still exists.

While the agency's functions are necessary, a review was also made to determine whether it is reasonable to continue these functions in their current organizational setting. The analysis indicated that 29 states do combine these types of functions within other agencies such as the Office of Secretary of State, or departments of education or community affairs. In addition, a pattern followed by 21 states is to organizationally separate library and archival functions into two different agencies. It was determined that these different organizational arrangements offered no significant advantage for Texas. Given the extent of the agency's current responsibilities as reflected by its \$11.5 million annual budget, it appears reasonable to carry out these operations within a separate agency. Additionally, separation of library and archival functions into separate agencies would eliminate administrative efficiencies that currently exist as a result of combined and closely related operations being carried out within one organization. As a result, continuation of functions within the current agency structure is appropriate.

ALTERNATIVES

Agency Reorganization

While division of the State Library and Archives Commission into two agencies does not appear to be an economically feasible option, the concept on which this separation of functions is based can be considered a viable alternative for Texas. The rationale for the division lies in the distinct difference in the approach of librarians and archivists. Their training is different in terms of education and experience, and their objectives differ.

In direct library service, the main function is to provide patrons with information, and the materials used to provide this information are expendable and can be replaced. In the maintenance of archives, the collection, organization and preservation of historic records is of primary importance and service is secondary if use of the material jeopardizes its preservation. However, both functions are important and deserve equal attention.

To ensure the equal emphasis of both functions in Texas, the agency could be reorganized to reflect this parity. The current statute identifies the director of the agency as the state librarian. He supervises the assistant state librarian who is responsible for the six division directors which include the state archivist. Therefore, the state archivist is in a subordinate position to the state librarian.

Reorganization would provide for: 1) an executive director with overall administrative responsibility for the agency; and 2) a state librarian and a state archivist on equal footing below him. This alternative would allow the two functions to receive equal organizational emphasis without requiring separate agencies.

Change in Qualifications for Professional Librarians

As the county and state library systems were developed, a mechanism was established to set standards for professional librarians. Originally this was done by the State Board of Library Examiners for county librarians and by the State Library and Archives Commission for librarians working for members of the state system. Since the abolishment of the Board of Library Examiners in 1981 and the transfer of its functions to the State Library, the responsibility for setting county and system librarian standards now rests entirely with the commission.

The commission has defined the educational requirements for permanent certification as a county librarian, as well as the qualifications to be a professional

librarian within the system, as a person with a library science degree from a program accredited by the American Library Association (ALA).

Currently, only three universities in the state have ALA accreditation: Texas Women's University, North Texas State University, and the University of Texas at Austin. However, two other state funded universities, East Texas State University and Sam Houston State University, also offer library science programs. Due to the ALA accreditation requirement, the 200 persons who received masters degrees in library science from these two institutions in 1980, 1981, and 1982 do not qualify as professional librarians under the commission's rules and regulations as do the graduates of the other institutions. This restrictive practice limits job opportunities for the graduates of institutions without ALA accreditation and can work a hardship on some small public libraries who wish to employ a "professional librarian" to become a member of a library system and receive state assistance.

The review showed that alternative quality standards do exist which could replace the ALA requirement. Other regulatory agencies have utilized regional and national accrediting bodies and this appears to be an appropriate option for Texas. The Southern Association of Colleges and Schools (SACS) currently accredits all five universities in Texas with library science graduate programs. Replacing the ALA requirement with SACS would not harm the public and would ease movement of qualified librarians into the marketplace.

ACROSS-THE-BOARD RECOMMENDATIONS

TEXAS LIBRARY AND ARCHIVES COMMISSION

Applied	Modified	Not Applied	Across-the-Board Recommendations
			A. ADMINISTRATION
X			1. Require public membership on boards and commissions.
X			2. Require specific provisions relating to conflicts of interest.
X			3. A person registered as a lobbyist under Article 6252-9c, V.A.C.S., may not act as general counsel to the board or serve as a member of the board.
X			4. Appointment to the board shall be made without regard to race, creed, sex, religion, or national origin of the appointee.
		*	5. Per diem to be set by legislative appropriation.
X			6. Specification of grounds for removal of a board member.
			7. Board members shall attend at least one-half of the agency board meetings or it may be grounds for removal from the board.
X			8. The agency shall comply with the Open Meetings Act, and the Administrative Procedure and Texas Register Act.
X			9. The board shall make annual written reports to the governor and the legislature accounting for all receipts and disbursements made under its statute.
X			10. Require the board to establish skill oriented career ladders.
X			11. Require a system of merit pay based on documented employee performance.
X			12. The state auditor shall audit the financial transactions of the board during each fiscal period.
X			13. Provide for notification and information to the public concerning board activities.
X			14. Require the legislative review of agency expenditures through the appropriation process.

*Already in statute or required.

Texas Library and Archives Commission
(Continued)

Applied	Modified	Not Applied	Across-the-Board Recommendations
			B. LICENSING
		X	1. Require standard time frames for licensees who are delinquent in renewal of licenses.
		X	2. A person taking an examination shall be notified of the results of the examination within a reasonable time of the testing date.
		X	3. Provide an analysis, on request, to individuals failing the examination.
X			4. (a) Authorize agencies to set fees. (b) Authorize agencies to set fees up to a certain limit.
		X	5. Require licensing disqualifications to be: 1) easily determined, and 2) currently existing conditions.
		X	6. (a) Provide for licensing by endorsement rather than reciprocity. (b) Provide for licensing by reciprocity rather than endorsement.
		X	7. Authorize the staggered renewal of licenses.
			C. ENFORCEMENT
		X	1. Authorize agencies to use a full range of penalties.
X			2. Require files to be maintained on complaints.
X			3. Require that all parties to formal complaints be periodically informed in writing as to the status of the complaint.
		X	4. Specification of board hearing requirements.
			D. PRACTICE
		X	1. Revise restrictive rules or statutes to allow advertising and competitive bidding practices which are not deceptive or misleading.
		*	2. The board shall adopt a system of voluntary continuing education.

*Already in statute or required.