

2023 MSL TRUSTEE HANDBOOK VOLUME 1: GETTING STARTED



**MONTANA
STATE LIBRARY**
A GREATER STATE OF KNOWLEDGE

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State on the Freedom to Read and inline references deleted December 2024

State Librarian's Letter

Dear Library Trustee:

Thank you for serving on the Board of your public library. Along with your library staff and your community, we at the State Library appreciate your commitment to help us better serve all Montanans by meeting their information needs. As a trustee, your role is to ensure that your library meets the information needs of your community. Today, as libraries take on many different responsibilities to best serve their patrons, the role of library trustees is changing and is more challenging and rewarding than ever.



While readers of all ages still relish the hours spent with a good book, there's no doubt that technology has revolutionized how people access and use information. Books now come in print, audio, and electronic form. Patrons are much more likely to do their research online rather than using reference books. Preschoolers enhance their early literacy skills via educational computer games, and seniors are one of the fastest growing populations of new users of the Internet and social media.

Serving communities also means that libraries serve as community centers. From programming for all ages to art space, computer classes, and meeting rooms, libraries bring people together from all walks of life and all parts of our communities. But even as the demand for library services continues to grow, costs rise and the resources that traditionally support libraries are more limited than ever. So, yes, being a trustee is challenging, but it is a challenge that your community believes you can - and will - meet.

This handbook can help. If you are new to the position, this handbook can serve as your starting point to learn about your new responsibilities. If you have served as a trustee for some time, it is a source book for refreshing your knowledge and honing your skills.

We hope you will make full use of your trustee handbook as well as the rest of the support we provide. By working together, we can continue to improve library services for all Montanans.

Again, thank you for your time and your commitment to your public library.

Sincerely,

Jennie Stapp

Montana State Librarian

Overview

The State of Montana started supporting library services in 1929, when the State Library Extension Commission was created by an act of the Legislative Assembly. The Commission's job was to develop libraries in Montana, but it wasn't until 1945 that the Legislature appropriated money to finance its work. Today, Montana is home to more than one hundred public libraries, providing a range of information services to citizens free of charge.

Libraries are at the heart of sustainable communities because of the hard work and commitment of people like you. Over the years, public library trustees have put in long hours to promote public library services. In turn, they have had the satisfaction of seeing their libraries grow and their communities benefit from enhanced life-long learning and a free exchange of ideas.

The 2023 Montana Public Library Trustee Handbook Volumes 1 and 2, will help you continue that vital work.

In addition to describing your roles and responsibilities as a trustee, the handbook provides sample documents, checklists, and other resources you can turn to when you need information about specific topics. It also provides valuable information for your director. Because trustees and the director must work together to provide quality information services to the community, cooperation and teamwork are emphasized throughout.

This handbook was prepared as an educational resource and should not be used as a substitute for legal advice. The publication was funded in part with federal Library Services and Technology Act (LSTA) grant funds. These funds are administered through the Institute of Museum and Library Services (IMLS) and the Montana State Library Commission.

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Responsibilities of Trustees and the Board

Getting Started

As a library Board member, you have two primary responsibilities: to govern the library, and to help keep the Board functioning at an optimum level. Both are equally important.

To govern the library, you must plan and monitor finances and services, as well as guide and evaluate the library's progress. Accomplishing these tasks requires knowledgeable Board members who understand and value the concept of teamwork.

As you gain experience on the Board, you will continue to learn facts, statistics, history, procedures and more. But first things first:

Get to know the other people who serve on the Board with you-not just their names, but who they are. What are their interests and concerns? What motivates them to serve on the library Board? Team building begins by knowing your teammates.

Get to know the director, the other part of the Board team. There must be a very high level of trust between the Board who governs the library and the person who manages the library.

Recognize that this job deserves your very best effort. Although you are a volunteer, the governance of the library demands the best job you can do. It will require your time and your effort.

Find out where to go for answers to your questions. Your best defense against being totally lost in the early stage of your term as a Board member is to learn where to find quick answers to tough questions. The director and other Board members are the best sources for learning about the library. This handbook will serve as a guide to the basics of good Board membership, and it will answer many of your questions.

Trustee Orientation

The library Board is responsible for conducting Board orientation for new trustees. Typically, Board orientation includes a tour of the library, receipt of written materials and a meeting with other trustees. During this orientation period, it is a good idea to have experienced trustees work with new members. An experienced trustee can point out which materials are used most often and which will require further study.

Library Tour

During the library tour, the director can explain how the library works, introduce the staff, and demonstrate how the programs and services operate.

Materials

Information provided to a new trustee might include the following.

Board Materials

- this handbook
- trustee job description
- list of important websites where new members can find out information about city, county, Montana library law, and Montana library services
- list of Board members and their addresses, phone numbers and email addresses
- Board bylaws
- Board code of ethics
- annual calendar of major Board and library activities
- minutes of the library Board meetings for the past year
- list of committees, job descriptions and current members

Library Materials

- library policies
- written mission statement of the library
- copy of the documentation establishing the library
- documents that report the history of the library
- long-range plan of the library
- current and prior year budgets financial reports for the past year
- timeframe for developing and approving the budget
- job description for the director
- staff organizational chart, including names annual reports for the last five years
- major contracts the library has with other public or private agencies
- marketing materials, brochures, or newsletters

Orientation Meeting

The director and a few experienced trustees usually participate in the orientation meeting. It is best if this meeting is scheduled a few days after the tour, which gives new trustees time to review the written materials.

The meeting agenda should include:

- discussion of the library's mission, goals, and objectives, short- and long-range plans.
- explanation of the budget, chart of accounts, sources and location of funding, expenditures, and the library's financial status.
- review of the past six-months' Board minutes and director's reports to give the new trustee a sense of who the Board members are and how the Board works.
- review of the policy manual, explaining policies and procedures.
- explanation of reimbursement policy for trustee expenses and the law prohibiting trustees from receiving compensation for their work.
- explanation of the library's relationship to local governing authorities, both elected and appointed.
- explanation of the library's relationship to its library federation, State Library and state and national associations.
- discussion of the respective roles and responsibilities of the trustees and the director, emphasizing that the trustee's responsibilities do not include management of the library. This handbook contains a chart comparing the roles of the board and director. The chart may help with this discussion.
- discussion of the roles of trustees as individuals versus the Board, emphasizing that duly appointed individual trustees are only spokespersons for the Board; the Board as a whole has decision-making powers.
- review schedule or calendar that explains what decisions the board must make and when
- discussion of what is or will be in front of the board in the next 2-3 months, so new trustees have a better idea of where to focus their energies.

Being a public library trustee means being confronted by daunting problems and exciting possibilities. How you respond affects the future of library services in Montana.

What Did You Learn?

You will continue to learn about the library for as long as you remain on the Board. But you need to know some things from the beginning. Did you learn the answers to the following questions in your trustee orientation?

ABOUT THE BOARD?

- Who has appointed the Board members and for what terms of office?
- Who are the current officers of the Board?
- How are the Board officers elected?
- Who is the official spokesperson for the Board?

ABOUT THE LIBRARY?

- What is the library's mission statement?
- What are the long-range goals of the library?
- When was the library organized and what is the service area?
- How many people does the library serve?
- What local/state/national legislative issues could affect the library?
- What is the relationship between the library and the local government? Has the library or the Board ever been involved in litigation?
- What major problems does the library currently face?
- Does the library meet the Public Library Standards?

ABOUT LIBRARY PERSONNEL?

- How long has the present director held his/her position?
- What training does the director have for managing the library?
- What is the process used to evaluate the director?
- How many staff does the library have and what do they do?

ABOUT LIBRARY FINANCES?

- What is the library's annual budget?
- Where does the money come from to finance the library?
- What are the total assets of the library?
- Does the library have any debt service?
- Does the city/county own or rent the library facility?
- What equipment does the library own or rent?
- Are Board members reimbursed for expenses and, if so, how?

Continuing Education

Effective library trusteeship requires ongoing learning and training. There are many opportunities for you and your Board to keep learning, including the following recommendations (some may require creating a free account; others require membership to access some resources).

- Montana State Library's [MSL Learn site](#)
- [Montana Library Association](#)
- [Mountain Plains Library Association](#)
- [Pacific Northwest Library Association](#)
- [WebJunction](#)

Essential

- [The Public Library Standards](#) require library boards to receive at least 3 hours of continuing education each year.
- Rotate meeting locations at branches of a system.

Good Ideas

- Join the Montana Library Association (MLA).
- Attend MLA's annual conference and other events.
- Attend Federation meetings.
- Attend State Library-sponsored events.
- Work through a section of the trustee handbook during meetings or set aside time at each meeting to review an aspect of the library's administration or services.

Other Opportunities

Participate in professional organizations: Mountain Plains Library Association (MPLA), the Pacific Northwest Library Association (PNLA), the Association for Rural and Small Libraries (ARSL).

Montana State Library Event Calendar

This [online statewide training/event calendar](#) provides a focused source of information for library-related activities that trustees and libraries can use as a planning tool.

Optional Trustee Certification

Trustees are welcome to certify through the Montana State Library's certification program for trustees. This optional track gives individual trustees a choice in how they will engage in continuing education on the role of trustees and their specific responsibilities. This is important for volunteer service on a public library board. The requirements allow directors and trustees to plan ahead for continuing education needs that may change as trustees move on and off boards and as important continuing education topics change over time.

Certificates are valid for 4 years.

Total Credits: 15 continuing education credits earned in a 4-year period

Library Administration Category: 10 credits

Electives: 5 credits in any category

Verification

Once you have the required number of credits, you will be prompted to submit your certification record through ASPeN. The board chair will be contacted to verify your certification record after the MSL CE Coordinator reviews the submission. The vice chair will verify the chair's record.

[Learn more about this certification program](#) or contact the State Library for more information.

The Job of a Trustee

As a trustee, you are entrusted by the public to look after its interest. You are also accountable to the public. Trusteeship is a working relationship with the community, library staff and fellow trustees. It requires a great deal of time, and even more importantly, a commitment to libraries. There is a direct correlation between the quality of library service a community offers and the knowledge, capability, and enthusiasm of its Board members.

What Does a Trustee Do?

A TRUSTEE KNOWS

- the organization of the library Board
- the library services and resources available
- who uses the library and who does not use it
- information needs and interests of the community
- how to work effectively in a group
- the services available at the State Library
- national library trends, standards, and developments
- library terminology

A TRUSTEE ATTENDS

- every Board and assigned committee meeting
- federation meetings
- professional meetings such as Montana Library Association conferences
- other local meetings and workshops relating to library business

A TRUSTEE PLANS

- for future growth and priorities of the library
- library policy
- active community awareness program orientation for new Board members

A TRUSTEE SUPPORTS

- the library and the director
- the local governing body
- the community
- local, state, and federal legislation related to libraries

A TRUSTEE ADVOCATES

- to articulate the library's needs
- to seek funding
- to promote the library
- to develop good personal relations with local, state, and federal government representatives
- to make the Board and library visible in the community
- for the community to receive excellent library service

A TRUSTEE REMEMBERS

- the library Board acts only as a whole
- an individual trustee may act on behalf of the library only when authorized to do so by the Board
- the Board does not run the day-to-day operations of the library

Golden Rules for Board Members

- Leave the actual management of the library to the director. It is the director's responsibility to select books, employ the staff and supervise day-to-day operations.
- After a policy or rule is adopted by the majority vote of the library Board, do not criticize or re-voice your opposition publicly.
- Respect confidential information. Do not divulge information regarding future Board actions or plans until such action is officially taken.
- Observe any publicity and information policies of the Board and library. Do not give information individually but refer requests to the library director or appropriate trustee.
- Do not hold Board meetings without the director.
- Treat the director and staff members in an objective manner. Under no circumstances should you listen to the grievances of staff members or treat individual problems on your own. The director is in charge of the staff and has administrative control up to the point where a grievance is presented to the library Board.
- Complaints from the public are the director's responsibility. Complaints submitted directly to the Board or an individual trustee should be referred to the director. Continuing problems should be taken up at the Board meeting only if policy revision is necessary or legal ramifications are involved.
- All rules and policies must be approved by a quorum of the Board at a regular meeting.

Assume your full responsibility as a Board member. If you are unable to attend meetings regularly and complete work delegated to you, consider resigning so an active member can be appointed.

Ethical Considerations for Trustees

As a Board member of a public library, you are a public servant. The public expects that your conduct will always be above question and for the public good, not for your own interest or another special interest. What's more, the law demands it.

As mandated by the Constitution of Montana, Montana has a code of ethics that prohibits conflict between public duty and private interest for members of the legislature, state employees and local officers. Under the rules of conduct outlined in this law, trustees cannot disclose or use confidential information acquired in the course of their official duties for personal gain or economic benefit, nor accept gifts of substantial value.

In addition to meeting legal requirements, an effective Board will adopt, and periodically review, its own code of ethics to guide its actions. If your Board does not have a written code of ethics, you might consider the following statements as a starting point:

AS A PUBLIC SERVANT AND ADVOCATE FOR THE PUBLIC LIBRARY, I WILL:

- Work to ensure that the public has equal access to information.
- Work to meet the information needs of the whole community.
- Resist efforts to censor library materials.
- Keep all library policies free of racism, sexism, and other bigotry.

AS A PUBLIC SERVANT AND REPRESENTATIVE OF THE COMMUNITY, I WILL:

- Attempt to interpret the needs of the community to the library and interpret the action of the library to the community.
- Represent the whole community to the library and not a particular area or group. Protect the public's right to open meetings.
- Refer complaints about the library to the proper level in the chain of command.

AS A MEMBER OF THE LIBRARY BOARD, I WILL:

- Listen carefully to other Board members. Respect the opinions of other trustees.
- Support the decisions of the Board.
- Recognize that all authority is vested in the Board when it meets in legal session and not with individual Board members.
- Be well-informed of developments that are relevant to issues that may come before the Board.
- Call to the attention of the Board any issues that may have an effect on the library.
- Vote to hire the best possible person to manage the library.

- Not interfere with the duties of the director or undermine the director's authority.
- Ensure that the library is well maintained, financially secure, growing and always operating in the best interests of the community.
- Declare any personal conflicts of interest and avoid voting on issues that appear to be conflicts of interest.
- Not use any part of the library for my personal advantage or the personal advantage of my friends or relatives.
- Not discuss confidential Board proceedings outside of the Board meeting.
- Not promise before a meeting how I will vote on any issue to be decided on during the meeting.
- Work to learn more about the job of a trustee and how to do it better.

Guidelines for Preserving Public Trust

- Encourage all trustees to attend, perform and take part in Board activities.
- Abide by the time limits of the terms of office for trustees and advise the appointing authority when those terms are up.
- Keep all library Board meetings open to the public as required by law and make sure advance notice of Board meetings is given to the public.
- Unless local government audits the library, require a CPA audit once a year or once every two years. An accountant who has dealt in municipal affairs should be used.
- Formally adopt written rules and policies. Keep them up to date and publicize them.
- Vote for proposed actions only when there is sufficient information. If a trustee abstains, be sure the minutes show the reason.
- Be sure that accurate minutes of each meeting are maintained and that votes are properly recorded. Take attendance at each meeting.
- Seek outside assistance on technical matters. Obtain the assistance of the city or county attorney or retain the services of a qualified attorney for legal matters. Ask the attorney to read the agenda, minutes, policies, and resolutions passed by the Board on a regular basis.
- Publicize trustee actions. Publish minutes, reports and financial statements in local newspapers or library newsletters to inform the public. Consider placing copies of the minutes in the public library.
- Trustees should not profit from their appointment to the Board. Avoid conflicts of interest, such as a trustee acting as the Board's attorney, investment advisor, banker, insurance consultant, accountant, or a purveyor of goods and services which the library buys.
- Trustees MUST publicly state they have a conflict of interest.

Trustee Job Description

Even though a library trustee is a volunteer position, becoming a trustee is like taking on a new job. It requires the same hard work and willingness to learn as does a paid position.

You might have been given a job description to review before becoming a trustee. If not, your Board may want to consider preparing one. A written job description may help future potential trustees understand the roles and responsibilities of the position.

The following sample job description shows what should be included. Boards will often set goals to keep the workload manageable. However, a trustee's responsibilities will include most of what is listed here over the course of the trustee's service on the Board.

Sample Trustee Job Description

Summary

Provides governance for the Public Library; establishes policy; sets goals; hires and evaluates director; establishes and monitors annual budget; signs necessary contracts; exercises such other powers, not inconsistent with law, necessary for the effective use and management of the library.

Responsibilities

- Participates in the ongoing responsibilities of the governing body, including establishment of library policies, budgeting, evaluating, and supervising the library director, working with local and state government officials, and planning for current and future library services and programs.
- Attends all regular and special meetings of the Board and participates in committees and activities as necessary; attends appropriate library functions.
- Represents the interests and needs of community members.
- Lends expertise and experience to the organization.
- Maintains an awareness of library issues and trends, and the implications for library users.
- Acts as liaison with the public, interpreting and informing local government, media and public of library services and needs.
- Understands pertinent local and state law; actively supports library legislation in the state and nation.

Qualifications

- Is interested in the library and its services.
- Has the ability to contribute adequate time for effective participation in Board activities and decision making.
- Has the ability to represent needs and varied interests of the community at large and the library.

- Has strong interpersonal and communication skills.
- Has the ability to work with governmental bodies, agencies, and other libraries.
- Has the ability to handle opposition and make decisions in the interest of library service.

Time Commitment

The Board of Trustees meets monthly at a time convenient for members. Special meetings or committee meetings may be called as necessary at times that are convenient to members and that comply with open meeting laws.

Under Montana law, trustees hold their office for five years from the date of appointment and until their successors are appointed. Members serve no more than two full terms in succession.

[See Appendix](#) for annual calendar.

The Job of the Board

The Board does not manage the day-to-day operations of the library but, rather, is responsible for seeing that the library is well managed in accordance with the law and Board-established policies. To meet this responsibility, the Board has six major tasks:

- Understand the laws governing the library
- Hire and evaluate the library director and, with the director's input, hire and prescribe the duties of library staff
- Set and monitor the library's budget
- Set policy
- Plan for the future of the library
- Advocate for the library in the community and for the community as a Board member

Each of these areas is addressed in later sections of this handbook.

Information About Nonprofit Boards

For more about best practices, visit the [BoardBuild website](#).

Board Meetings

The most important work of the Board is carried out at the Board meetings.

First, individual trustees have no legal authority over the library. Any change in policy or procedure, or other governing act, must be brought before the Board.

Second, the Board only has authority when it makes a group decision in a legally constituted meeting.

The Board bylaws provide the structure of your work, but here are some general guidelines for effective meetings.

- Be as productive as possible.
- Deal only with appropriate issues and make a clear distinction between the functions of the Board and those of the director.
- Ensure that the director is present at all Board meetings.
- Rotate leadership responsibilities to create a stronger Board; each trustee should have the opportunity to hold office.
- Hold regularly scheduled meetings, as listed in your bylaws. Select specific dates, times, and places six to twelve months in advance.
- Follow procedures for conducting business meetings as outlined in Robert's Rules of Order. If this seems too formal, the chairperson should devise a specific order of business that maintains an orderly flow for the meetings.
- Keep an archival file of Board minutes in the library. Individual Board members should retain current minutes in their trustee handbooks.
- Hold working Board sessions and committee meetings prior to the formal Board meetings where decisions are made. This saves time and provides an opportunity for careful study of an issue.

Remember: Committees issue recommendations to the Board but do not make the decisions. Written committee reports distributed before the Board meetings are most effective.

Meetings must be open to the public and held in accessible locations. ([See Public Participation](#)).

Chairing the Board

It is a good idea for the Board to rotate leadership positions. The trustee serving as the Board chairperson facilitates the Board meetings with the help of the director.

Before the scheduled meeting, the chairperson and director should prepare an agenda and schedule adequate time for the items listed. This agenda, along with related materials, should be mailed to the trustees to give them time to prepare for the meeting.

The agenda and the meeting date, time and place should also be posted or published.

To get the meeting under way, the chairperson should:

- Start on time with roll call (needed to judge a quorum)
- Introduce visitors and/or new Board members.
- Review the agenda, revising the order if necessary.
- Establish time limits.
- During the meeting, the chairperson should make sure that participants:
 - Focus on issues at hand.
 - Follow the agenda and procedures stated in the bylaws.
 - Establish action items: who, what and when.
- At the end of the meeting, the chairperson should:
 - Review and summarize for the minutes the meeting's progress, decisions, and assignments.
 - Announce next meeting date.
 - Adjourn the meeting.

After the meeting, the chairperson and director work together to make sure that the meeting minutes are sent to all Board members.

Public Participation

Montana law requires that tax-supported libraries be subject to the Montana Open Meeting Law. The purpose of this law is to ensure that the public has the ability to know how its business is being conducted. The legal requirements for open meetings, however, should be seen as the minimum requirements. From an administrative and community relations point of view, the more open you can make your meetings, the better it will be for the library.

The State Library recommends that public meetings be announced at least a week in advance. An agenda indicating the expected action items must be included with the meeting notice.

It is sometimes difficult for trustees to speak candidly with the public or media representatives watching and listening. However, keep in mind that you have been chosen to represent a large number of people. Those who show up at a Board meeting usually represent a very small percentage of your constituents and should not have an undue influence on your actions.

The Board should have a clear policy about regulating the activity of members of the public who attend Board meetings (see sample below). The public participation policy should be easily visible. Consider including it in the meeting notice as well as posting it on the library bulletin board.

Public participation does not mean that the public takes over the meeting. The Board chairperson should welcome public comment at appropriate times, but the amount of time made available for this is at the chairperson's discretion. Remember: Your Board meeting is a meeting conducted in public, not a public meeting. In other words, the public and media are there to watch you work, not to participate. (See Chapter 4-4 for more on this law.)

Guidelines for Effective, Efficient Meetings

Post and use ground rules:

- We participate as equals.
- We discuss openly and honestly.
- We disagree with grace and tact.
- We don't hide disagreements or questions.
- We stick to the agenda.
- We enjoy each other's company.

Sample Public Participation Policy

The Library Board welcomes public input at its meetings. Each agenda item (unless specified otherwise) will be open for public input before the Board deliberates on that item. While it is recommended that anyone wishing to address the Board notify the director at least 48 hours before the meeting so that time may be reserved for such input, it is not absolutely necessary.

Everyone wishing to speak must fill out a form to allow for accurate spelling of names and identification of those speaking on the various items for inclusion in the official minutes of the meeting. The form is available on the table at the rear of the meeting room.

Since time is limited, the Board chair reserves the right to set reasonable time limits for public input on each topic. Normally, a person will be limited to five minutes per agenda item.

During Board deliberation, the public is asked not to make any comments unless responding to a specific question asked by the Board chair.

Thank you for your interest in the library and the Board, and for your assistance in keeping our meetings orderly

Board Bylaws

The Board's bylaws provide the general structure for your work and ensure continuity and consistency in legal, financial, and policy-making activities. Bylaws should be periodically reviewed to ensure that they remain relevant. Typically the Board bylaws include the following articles:

Article I. Name of the organization – What is the official name of the board?

Article II. Object – What is the purpose of the board?

Article III. Members – Who can be on the board? Are there a certain number of city or county members? How are members appointed, and what is the procedure when someone wants to resign? Include attendance requirements, who can vote, filling vacancies, etc.

Article IV. Officers – Who are the officers? When elections are held, nominations, voting, filling vacancies as well as the term of office and duties of officers. Does the chair always vote or just in case of a tie?

Article V. Meetings – When/where are meetings, what constitutes a quorum, how to call a special meeting

Article VI. Executive Board or Board of Directors - The executive board duties and responsibilities. Small library boards generally do not have executive boards so you may not see this section in your board bylaws.

Article VII. Committees – Are there committees? Names of standing committees, membership, selection of members, attendance, and duties.

Article VIII. Parliamentary Authority - Clearly stated rules of order and a system for resolution of discord.

Article IX. Amendment of Bylaws – How often are they reviewed, what about amending? What notice is required? Often a 2/3 majority vote is required to pass bylaws changes.

Some organizations have additional articles for finances, policies, discipline, and other matters. A source for information about bylaws is Robert's Rules of Order.

Comparing the Roles of the Library Board and the Director

BOARD	DIRECTOR
Employ a competent and qualified director.	Employ personnel with the board's input and supervise their work.
Develop a long-range plan, vision and mission statements and review them periodically.	Provide input to the Board on regional/ national library issues and statewide trends in library management.
Determine and adopt written policies governing operation and program of the library. Review policies periodically.	Suggest needed policies for Board consideration. Carry out the policies as adopted by the Board.
Determine the goals and objectives of the library and methods of evaluating progress toward meeting them. Secure adequate funds to carry out the library's program.	Prepare regular reports with library's current progress and future needs. Suggest and carry out plans for extending library's services.
Establish, support, and participate in planned public relations and marketing program.	Maintain active public relations program.
Assist in preparation of the annual budget and approve it.	Prepare an annual budget in consultation with the Board. Give a current report of expenditures against the budget at each meeting.
Present the budget to the funding agency, public officials, and the general public; explain and defend it.	Closely follow the budget process. Provide leadership in supporting the budget.
Monitor budget expenditures during the fiscal year.	Oversee expenditures from budget including selection and ordering of all library materials and equipment.
Know local and state laws; actively support library legislation in the state and nation.	Know local and state laws; actively support library legislation in the state and nation.
Board governs.	Director manages.

Governance and Laws

Complying with the Law

Because public libraries are supported by public tax dollars, they are subject to numerous laws and regulations. As a trustee, you are responsible for being familiar with these laws and understanding their consequences. When dealing with legal issues, the Board should consult with the city or county attorney for interpretation of the law.

Laws specific to governing public libraries in Montana are addressed on the Montana State Library website. There is a legal section that links to the Montana Code Annotated, the Administrative Rules, and Attorney General Opinions. These links are to laws that impact public libraries in Montana. The focus is on state law. The board needs to be familiar with various federal laws as well. We highlight some of those laws in later sections of the handbook.

Montana Laws

The Constitution of Montana [Article X, Education and Public Lands, 1(3)] directs the Legislature to "provide a basic system of free quality public elementary and secondary schools" and "other such educational institutions, public libraries and educational programs as it deems desirable."

Laws specific to libraries are contained in the Montana Code Annotated (MCA). In addition, there are a number of Administrative Rules of Montana (ARM) that concern library operation and funding mandates.

A selection of state laws and rules you should be familiar with as a library trustee include the following.

Free Public Libraries (MCA 22-1-3)

The stated purpose of this law is "to encourage the establishment, adequate financing, and effective administration of free public libraries in this state to give the people of Montana the fullest opportunity to enrich and inform themselves through reading."

The following items are addressed in this MCA chapter:

- Creation of a legal public library
- Mill levies, special library funds and bonds
- Authorization, allocations and investment of a library depreciation reserve fund
Trustee appointment, compensation, and term length
- Board size, vacancies and election of Board chair powers and duties of trustees
Board appointment of and compensation for the library director and staff
- Exclusion and extension of library use privileges

- Assumption of county library functions by a city
- County commission may contract with city library Board to provide countywide public library services.
- County commission may use county library fund to cover costs of this contract
- Joint city-county libraries, Boards, and funding
- Governing bodies may establish and maintain a joint library by contract.
- County may levy special tax for operation of library.

Another section of Free Public Libraries is the Information Access Montana Act, which provides state aid to public libraries which is administered by the Montana State Library Commission. Two aid provisions in this act include the following (for more, see Funding the Library):

Statewide Interlibrary Resource Sharing Program

The purpose of the program is to administer funds appropriated by the legislature to support and facilitate re- source-sharing among libraries in Montana. Currently this funding is used to reduce the costs of OCLC software (used to provide interlibrary loans) and to reduce the ongoing costs of the Montana Shared Catalog (MSC.) The MSC is a consortium that encourages sharing of materials between libraries by making it possible for patrons

at one library to see and place holds on the items at another library. In addition, the collaboration of the MSC allows its member libraries to have more robust software so they can take advantage of new technologies that provide convenient access for their patrons.

Direct State Aid to Public Libraries for Per Capita

The per capita portion of the direct state aid to public libraries is distributed annually and is based on a formula using the library's service area size and population.

District Libraries

Under a law passed by the 2001 Montana Legislature and revised in 2005, communities can establish a library by forming a public library district. These districts must contain at least \$5 million of property valuation. Electors create the district and set the initial tax levy in an election. Electors also elect members of the library board of trustees, who have similar powers as those of city or county library boards. Because district boards are not under the direct control of local city or county governments, they have greater autonomy than other types of library boards. For more information on forming a library district, contact the State Library or read the Public Library District Handbook on the State Library web site.

Multi-jurisdictional Service Districts

This law allows municipalities and counties to form multijurisdictional service districts to improve and expand library services. As far as practical, the boundaries of the service district follow precinct, school district and municipal and county lines. These districts are formed by a resolution from the governing body, petitioners initiating the creation of a special district or by referendum.

The district is administered and operated by either the governing body or by a separate elected or appointed board as determined by the governing body. A special district created by a combination of local governments must be administered according to an interlocal agreement.

Local governments are authorized to make assessments or impose fees for the costs and expenses of the special district.

For more information on all types of libraries see the Types of Libraries and Board Authority document in the [Appendix](#).

Library Records Confidentiality Act

This act mandates no person may release or disclose any portion of a library record that identifies a person as having requested, used, or borrowed library materials except in response to a written request from the person identified in that record, court order or National Security letter (see Federal Laws). The law applies to all library users, including children. Confidentiality protection for library records is waived when materials are overdue or lost.

Library Federations

This group of laws discusses library federations which attempt to pool resources and avoid duplication of effort. Public libraries that participate in federations are eligible for state aid monies that are awarded through the federation. Details include establishment of a federation, participants, benefits, governing board, resolution of disagreements, and administration of federation appropriations (more information about federations is on the MSL website).

The Big Bill, H.B. 124

In 2001, the Montana Legislature significantly changed state law relating to local government and taxation with passage of House Bill (H.B.) 124. Specifically as it relates to libraries, H.B. 124, referred to as "the Big Bill," amended MCA 22-1-304 to delete reference to a five-mill levy cap for cities and seven-mill for counties. As amended, the statute authorizes the city or county to simply levy mills for support of the library, making

no reference to the number of mills to be levied, provided that the budget fits within the restrictions of MCA 15-10- 420.

In place of the numeric levies formerly found in MCA 22-1-304 and other statutes, MCA 15-10-420 was amended to allow a city or county to levy sufficient mills to raise an amount equal to the property tax raised in previous years with an upward adjustment to account for inflation. MCA 15-10-420 includes the formula for determining the authorized maximum. As a result, with passage of the Big Bill, local government officials can raise mills up to the maximum authorized without going through the election process. Your local city and/or county clerk can provide you with more information about the Big Bill and its effect on the library.

The final change the Big Bill made was more significant than those listed above. Prior to the Big Bill the library board was seen as the final authority on the bottom line of the library's budget as well as the line items within the budget. Current Attorney General Opinion has brought to light that the Big Bill changed this. Library boards are still the final authority on individual line items, but the local governing bodies have control over the bottom line of the budget. For more information about this particular Attorney General Opinion please see our [Library Law informational page](#) which includes an FAQ for 54 Op. Att'y Gen No. 7.

Open Meetings

The Open Meeting Law requires that meetings of public or governmental bodies- including boards, bureaus and commissions- must be open to the public. The Montana Legislature revised the law in 2006. A summary of the changes to Section MCA 2-3-203 include the following requirements: Each agency (in this case, the Library Board of Trustees) shall develop procedures for permitting and encouraging the public to participate in agency decisions that are of significant interest to the public.

The procedures must ensure adequate notice and assist public participation before a final agency action is taken that is of significant interest to the public.

The agenda for a meeting must include notice of action and must allow for public comment on any public matter which is noticed for action.

No action can be taken unless it has been noticed.

Public comment must be incorporated into the official minutes of the meeting.

Generally, Boards who have followed MCA 2-3-202 and MCA 2-3-203 in the past will not have a problem complying with the revisions.

The Open Meeting Law continues to allow the presiding officer to close portions of the meeting if he or she determines that the demands of individual privacy clearly exceed the merits of public disclosure. However, it should be noted that the individual involved does have a say in whether or not the meeting is closed.

Code Of Ethics

The code of ethics is designed to prohibit conflict between public duty and private interest by specifying rules of conduct for public officers, which includes library trustees. The rules cover confidential information, gifts and other economic benefits or compensations.

Montana State Library Commission

This law establishes the State Library Commission. The Commission is composed of the State Superintendent of the Office of Public Instruction, or a designee; five governor appointees, who serve staggered terms of three years each; and a librarian from the Montana university system, appointed by the Commissioner of Higher Education.

Montana State Library

The State Library Commission maintains and operates the Montana State Library, located in Helena. This law addresses the role of the library in providing library services and support to state government, the library federations, and local libraries.

Public Library Standards

This administrative rule details standards for public libraries and the process libraries must follow to meet those standards. To receive state financial aid public libraries must meet the essential standards under each category.

Other State Laws and Local Ordinances

Many state and local laws not specific to public libraries will also be of interest to trustees. For instance, local zoning laws, parking restrictions, building codes and safety restrictions need to be considered. Questions about these and other laws can be directed to the city or county attorney.

Federal Laws

Numerous federal laws affect public libraries. A selection of these laws of particular interest to trustees includes the following.

Americans with Disabilities Act

It is not unusual for Boards to have questions about the 1990 Americans with Disabilities Act (ADA). This major piece of civil rights legislation made it illegal to

discriminate against people with physical, mental, or emotional disabilities. It requires public facilities, such as public libraries, to make reasonable modifications to ensure equal access to these individuals.

Boards that choose not to modify the library to make it physically accessible must be able to demonstrate that people who do not have access to the building can receive substantially the same services as those who can enter the building.

Employment Laws

Libraries must abide by federal and state laws that prohibit discrimination in relation to hiring, promotion and all other working conditions of employment. It is illegal to discriminate against qualified applicants on the basis of sex, race, creed, color, religion, age, country of national origin, individual lifestyle or physical or mental disability. Stated policies should demonstrate that the library Board makes every effort not to discriminate.

Most library employees also fall under minimum wage and fair labor standards laws. Boards should consult with city or county attorneys regarding how these and other federal laws affect the library. The U.S. Department of Labor's Employment Law Guide - Laws, Regulations, and Technical Assistance might be helpful.

Library Services and Technology Act

In 1996, the Library Services and Technology Act (LSTA) replaced the Library Services and Construction Act (LSCA), which had been in operation since the 1950s. LSTA, which is administered by the federal Institute of Museum and Library Services (IMLS), helps states develop electronic networks among libraries. These networks make it possible for libraries to share information resources as well as provide library services to users with special needs.

LSTA funds are awarded annually and administered by the State Library Commission. These funds are used for State Library programs, such as the Talking Book Library and Library Development Department, as well as statewide projects such as the MontanaLibrary2Go and Montana Shared Catalog. (For more information about LSTA, [see Funding the Library in the Finances section](#)).

Telecommunications Act of 1996 (E-Rate)

In 1997 the Federal Communications Commission (FCC) adopted a Universal Service Order implementing the Telecommunications Act of 1996. The order is designed to ensure that all eligible schools and libraries have affordable access to modern telecommunications and information services. Each year, up to \$2.25 billion is available to provide eligible schools and libraries with discounts on authorized services. These

discounts are often referred to as the "E-Rate." (For more information about this program, see Funding the Library).

Services covered by E-Rate include Internet access and equipment.

To apply for E-Rate discounts, a library must be a legal public library as defined in MCA 22-1-303. E-Rate eligible services also require CIPA (Children's Internet Protection Act) compliance.

Children's Internet Protection Act (CIPA)

Libraries that wish to receive federal funding for services classified as Category 1: Internet Access and Category 2: Internal Connections, must comply with both CIPA and the Neighborhood Children's Internet Protection Act (NCIPA). CIPA requires use of a technology protection measure (often referred to as a filter) on any computer that can access the Internet, including staff computers. Any public library using E-Rate or LSTA funds for certain purposes must comply with the filtering requirements. Filtering is not required when a library receives funding for telecommunications only (i.e., telephone or data circuits).

Although filters must be installed on every computer that can access the Internet, adult users can request that the filter be removed. Therefore, the State Library recommends that libraries purchase filters that can be disabled.

Neighborhood Children's Internet Protection Act (NCIPA)

Libraries receiving federal funding for "Internet Access" services are required to put in place measures that protect children using the Internet. The main focus of NCIPA is Internet use policies. To comply with NCIPA, policies must address the following:

- Access by minors to inappropriate matter on the Internet and the Web.
- The safety and security of minors when using electronic mail, chat rooms and other forms of direct electronic communications.
- Unauthorized access, including so-called hacking, and other unlawful activities by minors online.
- Unauthorized disclosure, use and dissemination of personal identification information regarding minors.
- Measures designed to restrict minors' access to materials deemed harmful to minors.

Adapted from Wisconsin Department of Public Instruction materials.

Board Liability

The legal power of the library Board derives from the Board's actions as a body. Because these actions are subject to public scrutiny - and can be challenged in court - you and the other members of your Board need to be well informed and make decisions based on sound judgment.

There are several major areas in which Board liability may be incurred:

- Acts in excess of authority: for example, inappropriate expenditures or exceeding budget spending levels.
- Failure to act when action should have been taken: for example, failure to get needed copyright clearances or failure to meet contractual obligations.
- Negligence: for example, unsafe buildings and grounds, failure to supervise funds, loss due to depositing funds over the maximum amount insured, etc.
- Intentional misconduct: for example, libel, assault, improper discharging of an employee, theft, etc.
- Acts in violation of the law: for example, improper reimbursement to trustees and employees, authorizing payment of improper expenses, purchasing certain property without obtaining bids, failing to follow proper rules for hiring, acting on an issue when there is conflict of interest, etc.

The library board should check with their city or county attorney or their insurance carrier to confirm lack of liability. In most cases there is no personal liability for trustees with the exception of criminal conduct, failure to cooperate in the defense, or settlement of a claim without the consent of the governmental entity employer.

Collection Management Policy

The selection of library materials is an essential process that is strongly related to intellectual freedom. To be prepared to meet challenges to this freedom, every local library needs to have a written collection management policy that has been adopted by the Board. The library's policy should clearly state that the basic goal of the library is to offer access to its collections and services to all members of the community. In addition, it should state that the intent of a public library is to circulate all legally protected materials that patrons require or desire, even though some officials or private citizens may not approve of them. When a censorship attempt occurs, don't defend the material; defend the right to read.

The following steps should be considered by every public library:

Handling Complaints

If your library collection provides access to a wide range of materials, includes many points of view, and responds to requests from patrons, you are guaranteed to receive

complaints. Most complaints about the library's collection can be resolved by making sure that individuals who question materials receive a copy of the library's policy. But, sometimes a person objects so strongly they may take their complaint to the media or local government officials.

If a library faces a challenge to materials, as a trustee you should:

- Maintain a collection management policy. It should be in written form and approved by the Board. The policy should apply to all library materials equally (print, electronic, Internet).
- Maintain a clearly defined process for handling complaints. Complaints should be filed in writing and the complainant properly identified. (See the sample Request for Reconsideration of Library Resources form). The process should determine who will review the challenged materials, how the review will be handled, who will respond to the complaint and how quickly, and what appeal process is available to the person lodging the complaint. The established process should be followed whether the complaint originates internally or externally.
- Provide regular in-service training so if there is a challenge to library materials, both the Board and staff are aware of the contents of the collection management policy and the procedures for handling complaints.
- Maintain lines of communication with civic, religious, educational, and political bodies of the community and emphasize the library's selection process and intellectual freedom principles in presentations to these groups and through newspaper articles and radio and television programs.
- Be aware of local, municipal, and state legislation relevant to intellectual freedom and First Amendment rights.
- Follow all established policies and procedures.
- Remember your responsibility to speak your mind and argue for your point of view within the forum of the Board, but to support the decision of the majority once it has been made. If you disagree, do not speak out publicly. If you cannot be silent, it is best to resign from the Board before making your opposition public.
- Defend the selection policy that tries to satisfy many tastes and interests.
- Be sensitive and fair and react in a responsible manner.
- Take into consideration the rights of the whole community which you represent.

Once a complaint has been filed, the library can contact Montana State Library for guidance and support. The Montana Library Association's Intellectual Freedom committee also has information and resources to assist at any stage of a challenge.

Children's Rights

In Montana, minors have the same fundamental rights as adults unless otherwise prohibited. Those rights include freedom of speech and the right to know. Because Montana law does not restrict a minor's use of the library, children have the right to use the library without the permission of a parent.

Although libraries cannot require a parental signature before loaning minors material, they can require that a parent sign a statement of financial liability before their child receives a library card. Montana law says that a minor may enter into a contract, such as agreeing to return library materials, but it also states that a minor can renounce the contract. A statement of liability protects the library's resources by having parents assume the financial liability for overdue or lost materials loaned to their children.

In addition to signing the statement of liability, the library can also require that parents verify their child's name, address and telephone number before a library card is issued.

Confidentiality of Library Records

Another responsibility of the library and Board is to protect the confidentiality of a patron's library records. No library record that identifies the library materials a patron has requested, used, or borrowed can be released or disclosed except in certain instances as defined by law. (For more information about this law see the section on Montana Laws.)

The Board may want to formally adopt a policy that specifically recognizes the library's circulation records as confidential in nature. It is important that all library staff be advised that these records cannot be made available to any agency of state, federal or local government except by a court order, national security letter or subpoena or written permission from the patron.

Finances

Funding the Library

The Board is responsible for ensuring that there are adequate funds for all operations of the library. This vital function requires that Board members:

- understand library funding laws
- have a knowledge of funding sources
- develop a working relationship with the appropriate governing body
- be willing to seek prospective funding sources for the library
- ask other libraries how they meet their funding needs
- explore ways of sharing resources with other libraries
- explore community resources
- be innovative

Sound financial management by the Board of trustees is crucial to ensure ongoing library services for the community. To prepare a budget, you need to know where the funds come from and how much revenue you can expect each year. In Montana, public library funding comes from local, state, and federal sources. Private funding sources are also important.

Local Funding Sources

The major source of public library funding in Montana comes from local property taxes, either through a specific mill levy or an appropriation from general funds. State law allows the governing body of a city or county with an established public library to levy a special tax in the amount necessary to maintain adequate public library service unless an increased mill levy is approved through a vote of the people. The timeline on the next page outlines the steps and timing necessary to pass a mill levy.

Libraries that receive funds from mill levies are eligible to receive prorated money from sources other than property taxes as well, such as ancillary taxes including motor vehicle taxes, oil and gas production taxes, motorcycle fees and so on. State law also allows the governing body of any city or county, to establish a library depreciation reserve fund. This money can be used to acquire property, make capital improvements, and purchase equipment necessary for library services. City or county funds allocated to the library but not spent at the end of the fiscal year can be applied to the library depreciation reserve fund. The Board must request establishment of this fund.

Support for libraries differs considerably among cities and counties in Montana because taxable valuation and the amount levied varies from place to place. Initiative 105, passed by Montana voters in 1986, significantly compounded funding problems for libraries by freezing the level of local property taxes from which public libraries receive

most of their funding. A petition and election process is now often required to secure adequate library funding.

The Board can explore local options with the city or county budget officer and should consider reviewing MCA 15-10-420 and 15-10-425 for more information on running a mill levy.

Suggested Mill Levy Timeline

January - March	Board defines goals and prepares budget for upcoming year, determines if an exceeded mill levy election will be needed.
April-May	Trustees communicate with city or county commissioners about budget and the exceeded mill levy needs.
June - July	Board seeks out the legal requirements and ballot language.
August - September	Trustees recruit for Board/citizens' task force and appoint task force members.
October - December	Task force identifies funding sources and develops the petition. Task force presents recommendations to the trustees. Trustees adopt task force recommendations and support petition.
January	Task force circulates petition, which must be signed by at least five percent of the resident taxpayers. Trustees meet with city or county clerk to review ballot language. Trustees and commissioners meet to discuss petition and election. Trustees and task force hold an informational meeting about the adopted mill levy vote.
February	Board files petition with governing body at least 90 days prior to the general election. Task force recruits a citizens' campaign committee.
March - May	Citizen's campaign committee prepares facts, fliers, and other materials; holds information meetings for the public; and implements other steps in publicity campaign.
June	Election*

*Develop comparable timelines for elections not in June by working back from the date of election

State Funding Sources

There are two state funding sources for Montana's public libraries: the Information Access Montana Act and the Coal Severance Tax. To receive this funding, public libraries must meet the essential standards as described in the Public Library Standards.

Information Access Montana Act

State aid to public libraries is provided through the Information Access Montana Act (IAMA) passed by the Montana Legislature in 1989. The act is designed to broaden access to existing information by strengthening public libraries, augment and extend services provided by public libraries, and permit new types of library services based on local need. IAMA is administered by the Montana State Library Commission.

IAMA funds may not take the place of general operating funds. The law allows the Commission to withhold these funds when there is a reasonable link between the reduction in local funding and the receipt or expectation of IAMA funds. In such cases, the reduced funding from a mill levy or local government appropriation must be less than the average amount the library had received from these sources for the preceding three fiscal years.

IAMA stipulates four types of state aid:

Per capita and per square mile.

This aid is based on a population distribution formula (See MCA 22-1-327 or ARM 10.102.4003). The amount of money received by individual libraries can change as the population distribution changes. These funds are distributed annually, and the local libraries receive the money by early November

Statewide interlibrary resource-sharing program.

The commission shall establish a statewide interlibrary resource-sharing program (See MCA 22-1-328 and ARM 10.102.4001.) The purpose of the program is to administer funds appropriated by the legislature to support and facilitate resource-sharing among libraries in Montana, including but not limited to, public libraries, public library districts, libraries operated by public schools or school districts, libraries operated by public colleges or universities, tribal libraries, libraries operated by public agencies for institutionalized persons, and libraries operated by nonprofit, private medical, educational, or research institutions.

Statewide Library Access Program.

This section (See MCA 22-1-329) authorizes the Commission to develop a voluntary statewide library access program whereby a participating library may allow access to the library's materials and services by patrons registered and in good standing with another library.

Coal Severance Tax

In 1979, the Montana Legislature designated that a portion of the state severance tax (See MCA 15-35-108 or ARM 10.102.5102) on coal mining go to the library federations to help local libraries provide basic services. The federation libraries receive the annual funds by early November. Each federation submits an annual plan of service to the Commission for approval that details how the funds will be spent. Currently Coal Severance Tax funds are also used to fully fund statewide electronic resources that every public library can access and share with its patrons. (See Federations for more information.)

Libraries that receive state aid must comply with the public library standards. Please contact the Montana State Library for assistance with complying with the public library standards.

Federal Funding Sources

On occasion, federal grants for specific programs become available for libraries. Trustees and directors can learn about these and other grant opportunities through library literature.

Two of the most common sources of federal funds for library services in Montana are the Library Services and Technology Act and the Telecommunications Discount Program (E-Rate).

Library Services and Technology Act

The Library Services and Technology Act (LSTA) grant program is designed to serve all types of libraries: public, academic, research, school, special and consortia libraries. Administered by the Institute of Museum and Library Services (IMLS), a federal agency, LSTA provides annual funding to all state library agencies to "develop library networks to share library information resources across institutional, local and state boundaries and to reach those for whom library use requires extra effort or special materials."

The act also authorizes a national grant competition for education and training, research and demonstration, preservation and digitization, and models of cooperation between libraries and museums. In addition, IMLS provides grants to improve Native American and Native Hawaiian library services.

In Montana, the State Library Commission administers LSTA grant funds. The amount of money received each year varies, depending on the funding LSTA receives in each federal budget. The funds awarded to Montana are used for State Library programs, such as the Talking Book Library and the Library Development Division, or for statewide projects that provide specialized programming or services for Montanans.

Telecommunications Discount Program (E-Rate)

Since 1997, the federal Telecommunications Discount Program has provided Montana libraries discounts on eligible telecommunications services ranging from 20 percent to 90 percent, depending on economic need and location. Commonly referred to as the "E-Rate program," it is administered through the nonprofit Universal Service Administrative Company (USAC), which was established by the Federal Communications Commission (FCC) to implement the Telecommunications Act of 1996. The Schools and Libraries Division of USAC administers the schools and libraries program.

The determination of economic need is based upon the percentage of students eligible for participation in the national school lunch program. Libraries use a weighted discount percentage, which includes figures for all the schools in the school district in which the library is located.

Services covered by E-Rate are: Category 1: Internet access services, and Category 2: Acquisition and installation of equipment to provide networked access to the Internet. To apply for E-Rate discounts, a library must meet the Montana Public Library Standards. There are also federal requirements that must be met depending upon the type of discount the library requests.

Other Funding Sources

As funding needs increase, many libraries seek grants from foundations, corporations, endowments, and government agencies. Local businesses are another option. Boards can solicit funds from these businesses directly or determine if the business has a community support program. The Board might also want to explore partnerships with civic organizations for special products or fund-raising activities. Possible groups include the Kiwanis, Rotary Club, Jaycees, Lions, League of Women Voters and local youth groups.

Another consideration for the Board is to encourage endowments from individuals or memorials in the form of gifts to the library. Some Montana libraries have gone a step further and established their own foundations. A library foundation functions as a separate entity and can attain nonprofit tax status from the Internal Revenue Service, so that gifts are tax deductible for the donors. Establishing a library foundation also opens

up the potential of funds from other foundations that do not give grants to tax-supported agencies.

Valuable resources for Boards seeking information on grant funds are materials produced by the Foundation Center. This is a national service organization founded and supported by foundations to provide information on foundation and corporate giving. Among its primary activities are publishing reference books and offering online searchable databases on grants.

There are five Foundation Center libraries in the United States. These are located in New York, Washington, D.C., Atlanta, Cleveland, and San Francisco. In addition, Foundation Center Cooperating Collections are located in each state to provide a core reference collection of Foundation Center publications, other materials, and services useful to grant seekers.

Building the Budget

Once you know where funding comes from and how much you can expect, you can begin to prepare the budget. Budgeting is vital to the library's planning process and one of the most important Board functions.

The budgeting process includes the following steps:

1. Define the library's goals for the upcoming year based on the library's long-range plan. What does the library really need? Base the budget on those needs. The budget will change as the goals change.
2. Gather information to project costs of providing services and meeting the year's goals.
3. Estimate potential income from taxes, gifts, fines, fees, grants, and any other possible source of income.
4. Compare costs and income to see if all the goals can be met. If income exceeds or equals costs, the budgeting process continues.
5. Adjust objectives if funding doesn't cover goals, or search for additional funding. Present the written budget to the funding body.

The Board and the director work on the budget together but, ultimately, the Board is responsible for its approval and will typically present it to the entity with funding authority, within the required time frame and procedural steps. It is important for Board members to support the budget and speak out for library funding.

As in any planning activity, it is important to establish a schedule. A comprehensive, balanced budget cannot be compiled overnight. Allow adequate time for planning, gathering information, reviewing goals, and producing a finished product that will allow the library to meet the community's needs for library services.

The schedule on the next page shows specific steps for building the budget.

Sample Budget Planning Calendar

Based on a July 1 to June 30 Fiscal Year

July	Review fourth quarter budget report. Review goals, objectives, and strategies for past fiscal year. Make adjustments for present fiscal year if needed.
August	Review final annual report for just-ended fiscal year. Approve and submit it to appropriate governing body.
September	Begin work on needs assessment for next year. Brainstorm approaches. Delegate follow-up-effort (director, committee).
October	Review first quarter report. Evaluate objectives and strategies in progress. Review previous fiscal year audit.
November	Review present costs and projections. Review current needs assessment; brainstorm possibilities for responses. Reach agreement on prioritized needs. Assign further research if needed for June reporting. Obtain and review information on projected revenues for coming year.
December	Review goals and objectives for present year. Establish goals and objectives for the coming year based on staff, community, and other input, as well as agreements of previous month. Distribute goals, objectives with request for appropriate strategies and budget requests.
January	Review second quarterly report. Review strategies and budget requests. Prioritize by objective established in November. Library board should assign committee (if not already done) to work with director to prepare draft budget for board review. Reconfirm projected revenue information.
February	Board should review draft budget prepared by director and committee.
March	Board should consider holding a public hearing on draft preliminary budget. Adopt preliminary budget.
April	Submit preliminary budget request or certified budget to funding body.
May	Continue to work with submitted request or budget. Review third quarter budget report. Adopt final budget for next year and submit to appropriate authority.
June	Review and finalize any adjustments in closing out the present year.

Following the Money

Boards have control over the library's expenditures. While the Board should delegate the power to purchase materials, supplies and other goods to the library director, it should be aware of all purchases and monitor the budget monthly throughout the year.

The director should provide the Board with a monthly statement that shows at minimum:

- monthly income
- total income for the year
- cash on hand
- monthly expenditures by budget category
- cumulative expenditures for the year by budget expenditure
- a list of library accounts including the library depreciation reserve fund and any trust fund or donation accounts

When reviewing the reports, look for yearly patterns of expenditures, such as energy bills in the winter, fees for building repairs or grounds maintenance in the summer, special program costs such as those associated with summer reading programs, and purchases of supplies and materials that occur once or twice a year.

This is also a good time to compare budget figures with actual amounts. Is the income as you expected? If not, the Board needs to find out why and make adjustments in the budget if necessary. Compare actual expenditures with budget amounts as well. Unusually high and low expenditures need to be explained by the director. If costs are greater than expected, the Board might have to adjust the budget. You also need to know why funds are not being spent. Perhaps an under spent book budget means the staff does not have the time to make book selections, and that funding more staff is becoming a priority.

Setting Policy

Much of a trustee's work deals with policy - making policies, reviewing policies, interpreting policies, enforcing policies, and monitoring their effectiveness.

Policies set the direction for the library and protect it from misunderstandings. They are broad, philosophical guidelines, rather than specific procedures, addressing such areas as personnel, collection management, operations, program development and intellectual freedom.

Library policies should be based on community needs, the library mission statement, and established goals; they should not be a reaction to specific problems that arise.

A good set of written Board policies:

- Balances library resources and customer needs.
- Promotes consistency.
- Eliminates the need for instant (crisis) policy making.
- Clarifies Board member, director, and staff roles.

Trustees are responsible for making and adopting library policies, but policy development is best done in conjunction with the director and staff. Policies should be clearly written, organized in a policy manual, and made available to the staff and the public. The manual can be kept at the circulation or reference desk.

In addition, every trustee should have a copy of the policy manual and be completely familiar with the rationale for each statement. You need to thoroughly understand the policies to knowledgeably adopt new or revise existing ones. Also, you may be called upon to defend or interpret policies to the public or governing officials.

Your Board should follow established policies but keep in mind that things change. The community's economic conditions or the growth or decline of the population, for example, may justify changes in library policies. Therefore, it is important for your Board to conduct periodic community analysis studies and be flexible enough to revise or change policies as needed. An annual review will help ensure that the policies are accurate and up-to-date.

The State Library can answer questions your Board might have on developing policies and provide you with samples of specific policies developed by other libraries.

Making Policy

Good policy is "developed" rather than just "written." Development includes these steps:

- Identify the need.
- Define the issue.

Ask yourself if the Board is the right body to deal with the issue.

- Identify alternative ways of dealing with the issue.
- Examine the consequences of each alternative.
- Determine the value of each alternative.
- Consider what the policy says about the library.
- Select the alternative that best expresses the Board's and the community's values.

After a policy is proposed, determine if it is:

- necessary?
- consistent with the library's mission statement?
- within the scope of the Board's authority?
- consistent with local, state, and federal law?
- compatible with other policies?
- practical?
- broad enough to cover the subject completely?
- enforceable?
- affordable?

When you are ready to write the policy:

- Establish a committee of trustees and the director/staff to prepare a draft.
- Seek comments on the draft; those contributing to making policy are more likely to accept and implement it.
- Compile comments and present a recommendation to the Board.
- Reach final consensus on the final draft; make sure wording and intent are clear.
- Adopt the policy at a scheduled open meeting of the Board.
- Publish and distribute the policy.
- Train staff on new policy if needed.
- Review effects of the policy in six months or a year.

4 Tests of a Good Policy

1. It's legal - the policy complies with all local, state, and federal laws.
2. It's fair - the consequences of violating the policy should not be excessive.
3. It's clear and concise - the language should be clear enough that the average person can understand the consequences. It should also be clear enough that staff members can enforce the policy.
4. It's consistent - the policy should apply equally to everyone. It should not favor one group over another.

Library policies cover all aspects of the operation: the what, when, where and how, frequently the who, and sometimes the why.

A Policy List for Public Libraries

The following list of policies may be relevant to your needs. It is arranged in the form of an outline to show how policies relate to one another.

1. Mission and Role Statement
2. Board Bylaws and Public Participation Policy
3. Public Service Policies
 - a. Eligibility for borrowing and services
 - b. Resident and nonresident
 - c. Programming and outreach
4. Collection Management Policy
 - a. Mission and goals with community description
 - b. Responsibility for selection
 - c. Selection criteria for each format
 - d. Scope and priorities of collection
 - e. Selection procedures and vendor relations
 - f. Evaluation, weeding and maintenance
 - g. Censorship, access and challenged materials procedure
 - h. Intellectual Freedom Statement, Library Bill of Rights
 - i. Gifts and donations
5. Circulation Policy
 - a. Loan period and renewal
 - b. Confidentiality
 - c. Reserved material
 - d. Fines, damages
 - e. Interlibrary loan
 - f. Special collections
 - g. Audiovisual equipment
 - h. Fees
6. Reference Policy
7. Facilities Policy
 - a. Hours of operation
 - b. Americans with Disabilities Act compliance
 - c. Security
 - d. Meeting room use
 - e. Exhibits and displays
 - f. Copiers and other equipment use
8. Community Relations Policy
 - a. Cooperative borrowing agreements
 - b. Relations with schools
 - c. Volunteers
 - d. Friends groups

9. Public Participation Policy
 - a. Patron Behavior Policy
 - b. Unattended children
 - c. Respect for staff, users, and library property
 - d. Internet Use Policy
10. Management Policies
 - a. General
 - b. Responsibility and authority
 - c. Budget, accounting, and financial management
 - d. Procurement, including gifts
11. Personnel
 - a. Responsibility and authority
 - b. Job descriptions and classifications
 - c. Salaries and benefits
 - d. Hours, annual and sick leave, overtime, holidays
 - e. Hiring, termination, resignations, and nepotism
 - f. Performance evaluation and promotion
 - g. Continuing education/professional development
 - h. Discipline and grievances
 - i. Americans with Disabilities Act compliance
 - j. Fair Labor Standards Act compliance
 - k. Sexual harassment
 - l. Personnel records
12. Facilities
 - a. Responsibility and procedures for maintenance
 - b. Acquisition and ownership
 - c. Insurance and liability
 - d. Emergency preparedness
 - e. Americans with Disabilities Act compliance
 - f. Use of equipment, vehicles, etc

Appendix 1

Calendar of Annual Events and Deadlines

Trustees can take part in numerous events, activities and continuing education (CE) opportunities. This calendar shows the typical schedule, as well as the timing for important Board decisions. Deadlines and specific Board duties are coded with a "B."

Month	Events and CE Opportunities	Deadlines
January		Review library policies (B)
February	MSL Commission meeting	Complete preliminary budget (B)
	Montana Library Association (MLA) OFFLINE Interest Group retreat	Review library policies (B)
March	Spring Federation meetings	Adopt preliminary budget (B)
April	MLA annual conference	Submit preliminary budget to funding body (B)
	MSL Commission meeting	Review library policies (B)
	Spring Federation meetings	
May	Spring Federation Meetings	
		Review library policies (B)
		Federation plans of service due
June		Close out budget for current year
	MSL Commission meeting	Complete Board evaluation for past year (B)
		Complete Director evaluation (<i>for libraries using FY calendar</i>) (B)
		Adopt and submit final budget for upcoming year (B)
		Review library policies (B)
July		Public Library Standards form due
		Review library policies (B)
August	MSL Commission meeting	Approve and submit final annual report to governing body and MSL (B)

Month	Events and CE Opportunities	Deadlines
	Pacific Northwest Library Association (PNLA) annual conference	Governing body approves and adopts final budget (B)
		Review library policies (B)
September	Fall Federation meetings	Federation annual reports due
		Review library policies (B)
October	Fall Federation meetings	State aid and federation checks distributed
	Montana Education Association/Montana Federation of Teachers (MEA/MFT) annual fall conference	Review library policies (B)
	MLA Fall retreat	
	MSL Commission meeting	
November		Review library policies (B)
		MSL Library Directory information and MSL Public Library Annual Statistics data due
December	MSL Commission meeting	Review library policies (B)
		Complete Director evaluation (<i>for libraries using calendar year</i>) (B)

For details about events, [visit the online Event Calendar in ASPeN.](#)

Appendix 2

Types of Public Libraries and Board Authority

City

Guiding MCA	MCA 22-1-303 thru 311
Method of Creation	Vote of the people and/or city resolution
Board Appointment	Mayor/City Council
Budget/Financial Authority	City has authority over tax revenues; Board has authority over line items, setting and monitoring budget, approving claims, accepting grants/donations. Board reports to city. Library budget and financials follow Local Government Budget Act
Facilities/Property	Board owns property in the NAME of the city; board has authority over library space and can make changes to library; board can purchase property
Personnel Management	Board hires, sets duties, salary for chief librarian and library staff
Contracts	Board has authority to sign contracts
# of Libraries	22

County

Guiding MCA	MCA 22-1-303 thru 311
Method of Creation	Vote of the people and/or county resolution
Board Appointment	County Commissioners
Budget/Financial Authority	County has authority over tax revenues; Board has authority over line items, setting and monitoring budget, approving claims, accepting grants/donations. Board reports to county. Library budget and financials follow Local Government Budget Act
Facilities/Property	Board owns property in the NAME of the county; board has authority over library space and can make changes to library; board can purchase property
Personnel Management	Board hires, sets duties, salary for chief librarian and library staff
Contracts	Board has authority to sign contracts
# of Libraries	28

Joint City-County

Guiding MCA	MCA 22 1-314 thru 317
Method of Creation	Interlocal agreement – may have been a vote of the people
Board Appointment	Determined by interlocal agreement; generally a mix of city and county
Budget/Financial Authority	Determined by interlocal agreement; generally board has authority over line items per MCA 22-1-309
Facilities/Property	Determined by interlocal agreement; generally the board has the same authority as MCA 22-1-309
Personnel Management	Determined by interlocal agreement; generally board has authority outlined in MCA 22-1-310
Contracts	Determined by interlocal agreement; generally board has authority to sign contracts per MCA 22-1-309
# of Libraries	18

Multi-jurisdictional Service District

Guiding MCA	MCA 7-11-1102 and 1112
Method of Creation	Vote of the people
Board Appointment	Determined by interlocal agreement
Budget/Financial Authority	Determined by interlocal agreement; generally board has authority over line items per MCA 22-1-309
Facilities/Property	Determined by interlocal agreement; generally the board has the same authority as MCA 22-1-309
Personnel Management	Determined by interlocal agreement; generally board has authority outlined in MCA 22-1-310
Contracts	Determined by interlocal agreement; generally board has authority to sign contracts per MCA 22-1-309
# of Libraries	5

Independent Library District

Guiding MCA	MCA 22-1-7
Method of Creation	Vote of the people
Board Appointment	Elected
Budget/Financial Authority	Board works with county; has full authority over budget and line items within the limits of the dedicated property tax mill levy voted on by the community
Facilities/Property	Board owns library property
Personnel Management	Board hires, sets duties, salary for chief librarian and library staff
Contracts	Board has authority to sign contracts
# of Libraries	4

School/Public

Guiding MCA	MCA 22-1-312 and 7-11-1
Method of Creation	Interlocal agreement – partnership between school and local government
Board Appointment	Determined by interlocal agreement; generally a mix of school and local govt
Budget/Financial Authority	Determined by interlocal agreement; varies greatly depending on setup of library
Facilities/Property	Usually owned by the school district board and managed by the school district
Personnel Management	Determined by interlocal agreement; varies greatly depending on setup of library
Contracts	Determined by interlocal agreement; varies greatly depending on setup of library
# of Libraries	6 main libraries; 10 branches

Notes:

The powers and duties of the board may change if the library is part of a local government structure that is a charter government. MCA 7-3-7 is what guides this type of government. The local government's charter will spell out the duties of the board.

Personnel management and facilities management may vary. MSL staff encourage libraries and local government officials to define each other's roles and expectations. We also encourage boards to use the personnel policies of cities and/or counties - with the addition of the role of the board in hiring, etc. of library directors and staff. Facilities management is sometimes handled entirely by the board or more often handled by both entities depending upon the nature of the work being completed.

Financial authority and how that works in each library varies depending upon whether the library is funded entirely through a dedicated library levy or funded by general fund.

There are 83 main public libraries. Many of those libraries have branches that may have a different structure than the main library. However - it's usually in the form of a school/community library. There are 34 branches.