



OFFICE OF THE SECRETARY OF STATE

JESSE WHITE • Secretary of State

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**SYSTEM DIRECTOR'S
MEMO #10-021**

MEMORANDUM

TO: Illinois Library System Directors

FROM: Anne Craig, Director
Illinois State Library

DATE: June 8, 2010

SUBJECT: System Mergers

Over the past week, I have received several inquiries asking for clarification about whether the State Library will insist on total merger of all nine of the multitype library systems.

According to statute, whether you choose to consolidate services/organizations is the decision of your boards and members. Your boards of directors are firmly in control, and maintain total fiduciary responsibility. Having said that, both State Library directors under whom I have worked, Bridget Lamont and Jean Wilkins, many State Library staff, and I, have long advocated to the system directors that fewer or a single organization should be seriously considered. A climate of many convergent forces, including an environment of extreme austerity and upwardly spiraling costs, urgently dictates streamlining.

Under current law and rule, consolidation seems the option that will bring the most efficiencies the fastest. In a world where geography matters less all the time, regionally based organizations are arguably less important now. Of course proximity matters when moving materials, providing in-person training/consulting, or supporting facility needs. On the whole, however, many traditional library system functions have been liberated from location by technology.

When my staff and I have talked to you and your boards, we expressed that consolidation of services or entire organizations was an option that had to be very seriously considered; that indeed, your survival may depend on it. Your ability to achieve rapid efficiencies of scale is eroded by every duplicate organization that exists.

The continuation of your organizations in their current structures will result in the same situation that you face today, namely operating up to the day that services and/or entire organizations must be shuttered, all the while hoping that funding will arrive. Your efficacy and stability could be much more assured if you shed duplicative functions and acted together. I continue to urge you and your colleagues to be fully engaged with the reality of the economic climate, and the indications that the grim climate will persist for many months or years to come.

My staff and I will look at the Plans of Service (grant requests) with an eye to whether the stated goals of delivery and catalog support are addressed, and whether these services can be provided in the context of what we know—according to the Comptroller’s website—will be another year with an even more sluggish payment cycle.

From the *Comptroller’s Quarterly*, http://www.apps.ioc.state.il.us/ioc-pdf/CQ_35.pdf:

Previous quarterly reports have discussed the risks that the state’s cash position places on providers and the public sector in general and those dangers have only intensified. A continued increase in the backlog of unpaid bills and the state’s inability to pay those bills will lead to further erosion of the state service infrastructure. Eventually, many providers of essential state services may be unable to continue their operations at current levels and those vulnerable segments of the population to whom they provide services will suffer the consequences...There appear to be limited options left for the remainder of this fiscal year to substantially mitigate these conditions and the outlook for fiscal year 2011 is even more ominous.

I sincerely hope that consolidations will be part of each plan; support of delivery and the catalogs in light of the payment situation, absent such maneuvers and reorganizations, will be extremely difficult. If Secretary of State grant funding is desired, it is the responsibility of the boards to demonstrate how the duties of the systems will be fulfilled in whatever economic climate exists.

Illinois library systems and the Secretary of State/Illinois State Library have been vital, strong partners in providing library services to Illinois residents, services that today are threatened by an extremely serious economic situation. Let’s work together to ensure that the rich and treasured tradition of resource sharing in Illinois will continue for generations to come.

AC/ldg/sg

cc: Library System Board Presidents
Illinois Library Association President and Executive Director
Illinois State Library Managers and Consultants