TO: PLA Board of Directors
RE: PLA Legacy Grant Sustainability
DATE: June 17, 2024

ACTION REQUESTED/INFORMATION/REPORT: Discussion, motion.
ACTION REQUESTED BY: Mary Davis Fournier, PLA Executive Director

Draft of Motions:

1. The PLA board approved in concept a target ceiling of $500,000 for Legacy expenditure for FY25 and FY26. The ceiling will be revisited in FY27 to ensure alignment with and support of the revised 2026-2030 PLA Strategic Plan.

2. The PLA Board approves transitioning Project Outcome from an interactive tech platform to a suite of static products, or transition of platform to ALA management and requests a staff-developed comprehensive implementation plan by January 2025.

Background

Over the course of governance year 23-24, the PLA Board has discussed the sustainability of the Legacy Grant (2024.08). The PLA Budget and Finance Committee has reviewed potential spend down scenarios and made a recommendation for an annual expenditure of $500,000 beginning in FY25, which the Board approved at its March meeting (2024.29). A $500,000 target funding ceiling will extend the Legacy Grant for a projected twelve years.

PLA regularly pursues and receives other grants, which are entirely programmatic. Friends of PLA donations offer unrestricted support to Board priorities such as scholarships and new project incubation. Cultivating external funding streams will continue to help support programmatic growth and advancement of strategic priorities.

PLA staff have developed the following rationale and recommendations for responsibility reducing the annual Legacy expenditure while maintaining key priorities.

Rationale

The Bill & Melinda Gates Foundation awarded PLA the Legacy Grant in 2016, as its Global Libraries program sunset. The 10.3 million was awarded to support four main areas of work: Network and Knowledge Sharing, Leadership Capacity Building, Impact and Advocacy, and Research and Innovation. An additional lever of Organizational Excellence described the internal changes PLA would make to support the library-facing work.

While PLA had successes in these areas prior to 2016, the Legacy funds were never intended to replace or supplant the operating budget. Rather, the Legacy grant was intended to “leave the field strong” as a major funder exited the space. PLA has used Legacy funds to:

- Increase staff numbers and support PLA salaries. This includes Larra Clark’s integral role, split between PLA and PPA;
• Support delivery of three registration-free Leadership Academies;
• Support Project Outcome platform maintenance staffing, and ongoing development;
• Support PLA Benchmark platform launch, staffing, maintenance and ongoing development;
• Support other programmatic priorities including staff travel, conference speakers, and presence at IFLA World Congress and Met Libraries meetings to maintain international public library sector partnerships.

PLA is working closely with the ALA CFO and ALA CTO to shift expenditures and develop an operating budget that reflects true operating costs. PLA (along with units across the Association) has successfully transitioned number IT-related operating costs to the over IT budget. This includes things like software subscriptions, Zoom licenses, and mobile phone reimbursement charges. This has shifted more than $10K out of the FY25 PLA budget.

PLA is looking for other opportunities to move ongoing Legacy-funded activities to the operating budget. As discussed at the March board meeting, maintaining current staffing levels is a key priority. The FY25 budget reflects a majority of PLA staff salaries on the operating budget, with only 11% in the Legacy Grant and 30% of overall salaries funded by the AT&T Digital Learn grant.

PLA DATA PRODUCTS
PLA Data Products, including platform support and related consultants, are the second biggest Legacy draw after salaries, totaling about $300,000 annually between Project Outcome ($100,000) and Benchmark ($200,000). Additionally, salary savings have been planned for the coming year, as PLA has already been planned for the coming fiscal year, as Sara Goek, PLA Project Manager, Data and Research has transitioned to a 50-50 FTE position, split between PLA and ACRL.

Project Outcome

Project Outcome launched in 2015 with funding from a Gates program. Today, Project Outcome offers surveys in 8 key library service areas, as well as interactive dashboards, trainings, and opportunities for peer sharing. All of these resources are completely free and open. As of May 20, 2024 it has 15,216 users at 3,790 libraries in 100 countries.

Project Outcome is forecast to be net negative $57,000 in FY25 (with salaries, net negative of $109,050).

The peak of Project Outcome activity was in 2017. This tracks with PLA’s investment in the initial launch and original grant goal to have 250 active users by 2017. (The chart below shows calendar year use through May 2024) Numbers drastically declined in 2020, when libraries were closed or not offering programs during the height of the pandemic. Numbers have not returned to pre-pandemic levels. Libraries that receive grants from PLA or the ALA Public Programs Office have been required or incentivized to use the platform, and are the most active users in recent years, including over 400 public libraries that were part of PLA’s DigitalLearn grant cohorts.

When Project Outcome was launched, a few leading libraries collected outcomes, but the practice was not widespread. To understand current practices, PLA included a question about collecting outcomes in the 2022 Services for Strong Communities Survey. Almost one-third of respondents indicated they
collect outcomes. While there is still need in this area, Project Outcome has supported outcome measurement as best practice across the LIS field.

**Benchmark**

All US public libraries were invited to access their new Benchmark (librarybenchmark.org) account upon the tool’s launch in October 2021. It was designed to replace PLA Metrics, a long-standing, subscription-based product that had seen a decline in use. Benchmark serves two primary functions: it is the platform libraries use to complete PLA surveys, and it provides access to aggregated data and visualizations that facilitate peer comparison. The two primary ways PLA gauges meaningful user engagement reflect those functions: survey participation and subscriptions.

Benchmark is forecast to be net negative $33,000 in FY25, (with salaries, net negative of $84,893).

All public libraries have access to a free Benchmark account that they can use to participate in PLA annual surveys and view key metrics and resources. In 2021, 773 public libraries completed the Staff & Diversity Survey, a response rate of 8.4%. In 2022, 1,167 libraries completed the Public Library Services for Strong Communities Survey, a response rate of 12.6%. In 2023, 1,511 libraries completed the Public Library Technology Survey, a response rate of 16.4%.

A subscription provides users with upgraded access to data dashboards, custom reports, and custom peer comparison tools. Annual individual library subscriptions are $400, with discounts available for PLA members, with additional tiers for consortia and non-library partners.

Of the current active subscribers, 115 are libraries that have access through group/consortia subscriptions, 50 are individual library subscribers, and 2 are corporate subscribers. The libraries with subscriptions are more likely to be city (35%) or suburban (49%) than town/rural (17%). Subscribers also tend to be in larger communities: 53% are libraries with service area populations greater than 100,000.
and 33% have populations between 25,000 and 100,000, with the remainder serving smaller communities.

Since its launch, Benchmark has engaged 245 unique customers. As of May 20, 2024 there are 167 active subscribers. While this is comparable to PLA Metrics in its final year, PLA has struggled to broaden its reach and continues to work on marketing and awareness.

Project Outcome and Benchmark both provide valuable tools to their user bases. Furthermore, the practices that both support—outcome collection and data for advocacy and planning—are important to contemporary library practice. PLA proposes a two-pronged approach to continue to support the key aspects of both Project Outcome and Benchmark in a reduced-resource environment.

1) Wind down the interactive elements of Project Outcome and offering the survey templates, resources, and archived trainings as self-service and static elements. This would save at least $70K per year in technology platform and development costs.

2) Allow Benchmark more time to find its footing, while working with ACRL and ALA IT staff to transition some or all of the platform costs to the ALA IT budget in FY26. This would save at least $85,000 per year.

Recommendations

At the March Board meeting, the board accepted the Budget and Finance Committee’s recommendation to reduce Legacy spending to $500,000 in FY 25. The FY25 Legacy budget below is the May 2024 draft and will be updated in August 2024.

<table>
<thead>
<tr>
<th>Line Item</th>
<th>FY24 Legacy</th>
<th>FY25 Legacy</th>
<th>Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries and Benefits</td>
<td>$597,000</td>
<td>$329,848</td>
<td>$267,152</td>
</tr>
<tr>
<td>Tech, consultants</td>
<td>$170,000</td>
<td>$146,349</td>
<td>$23,651</td>
</tr>
<tr>
<td>Overhead</td>
<td>$92,000</td>
<td>$56,643</td>
<td>$35,357</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$859,000</strong></td>
<td><strong>$532,840</strong></td>
<td><strong>$326,160</strong></td>
</tr>
</tbody>
</table>

After additional modeling, PLA makes the following recommendations:

- Supporting the Advocacy lever of the Legacy framework through salary allocation for Larra Clark;
- Developing a plan and approach to either transition operating costs of Benchmark to ALA budgets or phase out the project, with a decision made within the next three years.
- Conduct annual analysis and Legacy fund priority setting as part of the Fiscal Year budgeting process with the Board.
- Developing a plan and approach to “offline” the Project Outcome platform to template resources and CE training formats for board review and approval at its January 2025 meeting; expected budget change in FY26.
- To align with the life cycle of the PLA Strategic Plan, a target ceiling of $500,000 Legacy expenditure will be adopted for FY25 and FY26.

Motions:
1. The PLA board approved in concept a target ceiling of $500,000 for Legacy expenditure for FY25 and FY26. The ceiling will be revisited in FY27 to ensure alignment with and support of the revised 2026-2030 PLA Strategic Plan.

2. The PLA Board approves transitioning Project Outcome from an interactive tech platform to a suite of static products and requests a staff-developed comprehensive implementation plan by January 2025.