

Kentucky Virtual Library (KYVL)  
Annual Report to the Kentucky Library Association Board  
Louisville, Kentucky  
19 September 2012

**Budget.** The Council on Postsecondary Education 2012-13 Agency Operating Budget was presented to the CPE board on 14 September 2012. KYVL is officially a part of the Kentucky Virtual Campus, therefore, the KYVL budget is included in the KYVC budget line item. Below is a part of the report, from the introduction through some pertinent areas relative to KYVL.

*"Traditionally, most attention is paid to the Council's recurring General Fund appropriation and the corresponding expenditures. While the public postsecondary institutions received a General Fund reduction of 6.4 percent for FY13, the Council's overall General Fund budget was reduced by the same amount as most state agencies (8.4 percent). Since language in the state budget bill specifies smaller reductions in some areas of the Council's budget, reductions in other areas are slightly higher than 8.4 percent. It is important to note that the Council's total agency budget does include other sources of revenue including tobacco settlement funds and cigarette tax revenue that support cancer research, trust funds that provide incentives for institutions to enhance various strategic initiatives, federal funds that support Kentucky's Adult Education programs, Kentucky GEAR UP, teacher quality grants, and miscellaneous agency receipts. All of these various funds have traditionally been channeled through the Council from an accounting and budgetary perspective.*

*The proposed FY13 agency operating budget is divided into three main parts:*

- 1. Statewide Coordination*
- 2. Kentucky Adult Education*
- 3. Statewide Educational Programs and Services*
  - Student Assistance and Educational Support*
  - Technology and Academic Support*
  - Research and Economic Development*

#### *Statewide Coordination*

*The budget for statewide coordination supports the traditional expenditures associated with a postsecondary education coordinating board, including funds spent for policy leadership, strategic planning, regulation of the state's postsecondary education system, biennial budget preparation and tuition setting, academic affairs and program review, administrative services, communications, economic and STEM initiatives, and information, research, and technology.*

#### *FY13 Budget Highlights*

*• Only 14 percent of the Council's FY13 General Fund appropriation is allocated to agency operations (statewide coordination, research, data collection, administration, etc.); 86 percent funds statewide educational programs and services.*

*• An additional budget reduction of \$140,000 is built into this budget to ensure that an additional small budget cut would not keep the agency from meeting all of its obligations.*

[Excerpted from the report to the Council board on 14 September 2012.]

The Budget documents referenced above can be found at:

<http://www.cpe.ky.gov/NR/rdonlyres/30A37F5E-4594-4D6A-8603->

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[EA518B6BAE1D/0/10 2012 13 Agency Budget.pdf](#)

In FY2012-13, an 8.4% reduction was applied. In the FY2012-13 budget shared with the KYVL Alliance on 13 September, we have already factored in those reduced dollars. As most know, KYVL operates in a cost-sharing or consortial member model and annually invoices participants to cover core services, such as the research databases, Kentuckiana Digital Library, etc.. We have recently updated our comparison numbers and can report on the following member statistics.

In FY2010-11, we collected \$1.4 million from 294 members.

In FY2011-12, we collection \$1.49 million from 285 members.

And we estimate for FY2012-13, to collect \$1.6 million from 298 members.

We are finding that training of teachers and school media specialists in the school districts has dramatically affected the decision to subscribe to KYVL. Typically, after training, a school district will come back after a year or two without KYVL or find that KYVL meet the needs in information text, etc. for implementing the Kentucky Core Academic Standards (KCAS).

In mid-January 2012, Governor Beshear's budget recommended a 7.8% for most state agencies. KYVL, as part of the KY Council on Postsecondary Education (CPE), is taking that cut starting now and going into the new fiscal year.

Later in January, CPE President Robert King presented on "Postsecondary Education and CPE Budget Update" to the House A&R Budget Review Subcommittee. In that presentation, the mid-year cut was referenced on page 31, on the slide regarding the KY Postsecondary Education Network, Kentucky Virtual Campus, Kentucky Virtual Library:

*"Executive Budget Proposed*

*\*Additional 7.8% reduction.*

*\*Cumulative budget cut of 39% (\$2.8 million) since enacted FY08" where that \$2.8m is from the statewide technology operations, ie. KYVC/KYVL, of CPE.*

**Kaleidoscope.** KYVL will be involved in this initiative due to the Kentucky Learning Depot having an integral role as the content repository. We've been involved in most of the discussions and presentations to provide understanding and support with an infrastructure that is statewide and already in place. It is an exciting time, not only for the end result of students being better served with free or nearly free quality course materials but also the integration of the Depot into course management systems and expanded awareness of KYVL.

But what is Kaleidoscope?

*"Kentucky is pleased to participate in Kaleidoscope, a multi-institution, multistate project that is implementing a set of general education courses to raise learning outcomes and retention of predominantly at-risk students. Using free online content available through Open Education Resources (OER), the project will dramatically reduce textbook costs and allow collaborative improvement of course design to improve student success. Funded by the Gates Foundation, eight institutions (public, private, two-year, and four-year) across six states have adopted this collaborative approach to assembling free course content. The Kaleidoscope process protects institutional and faculty control over their own curriculum and pedagogy. Kentucky has committed to participate in the next phase of Kaleidoscope, which will scale the project from a few thousand students to hundreds of thousands of students. So far in Kentucky, ECU, KCTCS, and*

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*KSU have agreed to participate. Similar discussions are underway with North Carolina, Massachusetts, Arizona, California, and a few other states. The next steps call for the first multistate gathering in October, leading to a grant request by the first of the year."*

[Excerpted from President Robert L. King's report to the Council on Postsecondary Education at the September 13<sup>th</sup>, 2012 meeting.]

**Leadership Team.** The LT meets for a day at KYVL each month to work on moving the KYVL strategic plan forward. For 2012, the Leadership Team worked on many projects, a few are highlighted below:

- Revisited Infrastructure Work Group; revised into Voyager Consortium Work Group, Next Generation Work Group, and Access and Authentication Work Group; drafted charges.
- Reviewed Marketing Work Group talking points and press release.
- Reviewed and approved proposed funding formula for 2012-13 from the Funding Work Group.

In winter 2012, the Leadership Team will:

- Complete transition of existing work groups into the new structure, including dissolving some and updating charges for others.
- Address performance indicators set during the strategic planning process.
- Seek volunteers and library appointments to the Next Gen Work Group, Access & Authentication Work Group, as well as reaffirm the membership and charges of the Collections and Resource Sharing Work Groups.
- Oversee the work of the Collections, Training and Marketing Work Groups. The Collections Work Group's RFP will be the largest project for winter 2012/spring 2013.

Kentucky Virtual Library, with the guidance of the Leadership Team and the Alliance, continues to work on the KYVL Strategic Plan 2010-13. Of course, next year we will revisit the goals and objectives and associated measures. The Leadership Team will be responsible for that analysis.

**The Research Databases.** The KYVL Collections Work Group will write a new Request for Proposal to rebid all the KYVL contracts for full text and index databases and encyclopedias. It is a difficult and tedious process but we are nearly at the end of a six-year cycle and it is time. The Collections Work Group will make recommendations which KYVL will use to create a template of possible collections. Ultimately, it is KYVL who will choose the resources and negotiate final costs and contracts. The contracts are between the Commonwealth of Kentucky and the selected vendors. We need to finish all work by summer 2013, ideally, so KYVL members can be prepared for school beginning Fall 2013. The Alliance and KYVL will keep the membership informed as we progress.

Respectfully submitted,  
Enid Wohlstein