

**Illinois State Library  
Library Services & Technology Act (LSTA) Funding in Illinois  
Maintenance of Effort & Match**

The [Institute of Museum & Library Services](#) (IMLS) is funded through the annual federal appropriations process as a federal agency that administers discretionary programs. Through the *Grants to States* program, *Catalog of Federal Domestic Assistance* (CFDA) 45.310, IMLS provides funds to state library agencies using a population-based formula; the resulting award is the “allotment.” Two different financial requirements are prescribed in statute [20 U.S.C. § 9133 \(c\)](#) for receiving the federal funds: **Match** and **Maintenance of Effort**.

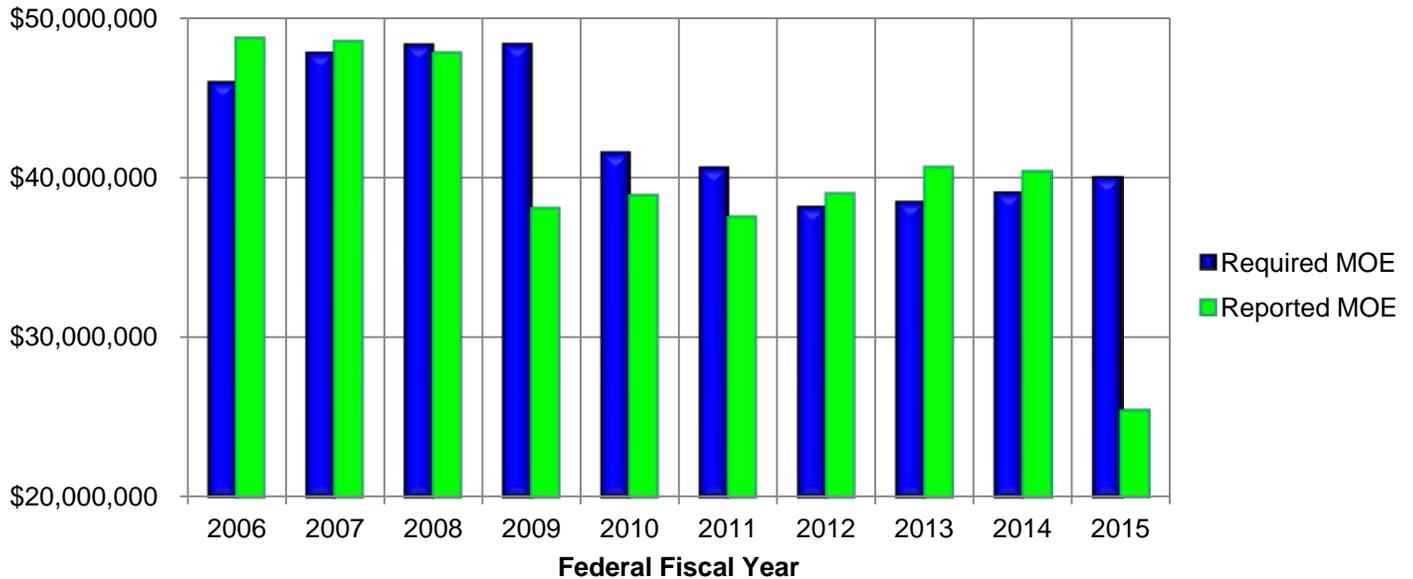
**Match:** Each state is responsible for leveraging non-Federal, State, and local funds to match the Federal LSTA funds it receives. The required match is 34% of the LSTA allotment. IMLS’s legislation does not permit a waiver of the match requirement. Match funds represent only those activities that align with the LSTA priorities but may include a mix of Secretary of State/Illinois State Library, local, private and other funds. The priorities are included in Illinois’ IMLS approved [Long Range Plan for the Use of LSTA](#).

**Maintenance of Effort:** The Maintenance of Effort (MOE) provision ensures an ongoing financial commitment and support of library programs in general by state library agencies. MOE includes those state funds expended by the Secretary of State and Illinois State Library in support of programs consistent with appropriate uses of LSTA funds. In Illinois, state funds allocated to the School District Library Grants, Public Library Per Capita and Equalization Grants, Literacy Grants and Regional Library System Area and Per Capita Grants are examples included in the MOE calculation. State funds available for public library construction cannot be considered as MOE because the LSTA priorities do not support construction.

The required MOE is an average of the reported MOE over the previous three federal fiscal years. If the actual MOE reported annually is less than the calculated average, IMLS has the authority to reduce the state’s future LSTA allotment proportionally.

The following chart depicts Illinois’ required and reported MOE. The federal fiscal year (FFY) runs from October 1 of the prior year through September 30 of the named year.

**LSTA Maintenance of Effort in Illinois**



**JESSE WHITE, SECRETARY OF STATE AND STATE LIBRARIAN**

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**Waiver:** If a state fails to meet the LSTA Maintenance of Effort (MOE) requirement, it may apply for a waiver of the requirement so the state's allotment is not reduced. The Director of the IMLS is authorized to waive the requirement if IMLS determines that a waiver would be equitable due to exceptional or uncontrollable circumstances such as a natural disaster or a precipitous and unforeseen decline in the financial resources of a state.

- If a state does not meet its MOE requirement and does not apply for a waiver, the amount of LSTA funding available to that state is reduced proportionally for one year. The reduction affects the allotment three-years from the year the reported MOE is less than required.
- If a state does not meet its MOE requirement but submits a waiver that is accepted by IMLS, the state's allocation (three-years from the year the reported MOE is less than required) is not reduced.
- Whether the waiver is accepted or not, the actual reported MOE continues to be used in the calculation of the three-year average for the annual MOE requirement.

**2009 MOE Waiver Request:** The Illinois State Library submitted a request and was granted a waiver of the FFY2009 MOE requirement based on the exceptional and uncontrollable downturn in Illinois' economy. The shortfall in this MOE would have resulted in a 21.2% reduction in Illinois' FFY2012 allotment, but it was not reduced because the request to waive the MOE requirement was approved by IMLS.

**2010 MOE Waiver Request:** The Illinois State Library submitted a request and was granted a waiver of the FFY2010 MOE requirement based on the exceptional and uncontrollable decline in the state's fiscal condition. The shortfall in this MOE would have resulted in a 6.4% reduction in the FFY2013 allotment, but it was not reduced because the request to waive the MOE requirement was approved by IMLS.

**2011 MOE Waiver Request:** The Illinois State Library submitted a waiver request based on the exceptional and uncontrollable sluggish fiscal recovery of the state. This initial request was denied. The Illinois State Library submitted an appeal that was granted. The shortfall in this MOE would have resulted in a 7.6% reduction in the FFY2014 allotment, but it was not reduced because the appeal to waive the MOE requirement was approved by IMLS.

**2015 MOE Waiver Request:** A request to waive the MOE requirement is being submitted to IMLS with the verdict expected in the fall of 2017. If not approved, the shortfall in this MOE could result in a 36.6% reduction in the FFY2018 allotment.

**FFY2015 MOE Reported in December 2016**

- The required MOE for FFY2015 was \$40,016,566.56.
- The actual MOE reported for FFY2015 was \$25,359,000.56, which was less than required by \$14,657,566.
- This shortfall could potentially reduce Illinois' FFY2018 allotment by an estimated 36.6%.

**FFY2014 MOE Reported in December 2015**

- The required MOE for FFY2014 was \$39,062,941.
- The actual MOE reported for FFY2014 was \$40,390,641, which exceeded the requirement by \$1,327,700 with an increase of 3.4%.

**FFY2013 MOE Reported in December 2014**

- The required MOE for FFY2013 was \$38,474,432.
- The actual MOE reported in FFY2013 was \$40,660,018, which exceeded the requirement by \$2,185,586 with an increase of 5.7%.

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**FFY2012 MOE reported in December 2013**

- The required MOE for FFY2012 was \$38,165,474.
- The actual MOE reported for FFY2012 was \$38,999,041, which exceeded the requirement by \$833,567, with an increase of 2.2%.

**FFY2011 MOE reported in December 2012**

- The required MOE for FFY2011 was \$40,633,134.
- The actual MOE reported for FFY2011 was \$37,529,763, which was less than required by \$3,103,371.
- The Illinois State Library requested and in September 2013, IMLS declined to waive the 2011 MOE requirement. The Illinois State Library submitted an appeal in November 2013 that was approved by IMLS in January 2014.
- The shortfall would have proportionally reduced Illinois' FFY2014 allotment, used during state fiscal year 2015, by an estimated 7.6%, but it was not reduced due to the IMLS approved waiver.

**FFY2010 MOE reported in December 2011**

- The required MOE for FFY2010 was \$41,539,408.
- The actual MOE reported for FFY2010 was \$38,888,492, which was less than required by \$2,650,916.
- The Illinois State Library requested and in September 2012, IMLS approved a waiver of the 2010 MOE requirement based on budget cuts to state government agencies in Illinois.
- The shortfall would have proportionally reduced Illinois' FFY2013 allotment, used during state fiscal year 2014, by an estimated 6.4%, but it was not reduced due to the IMLS approved waiver.

**FFY2009 MOE reported in December 2010**

- The required MOE for FFY2009 was \$48,333,697.
- The actual MOE reported for FFY2009 was \$38,078,168, which was less than required by \$10,255,529.
- The Illinois State Library requested and in October 2012, IMLS approved a waiver of the 2009 MOE requirement due to the downturn in Illinois' economy.
- The shortfall would have proportionally reduced Illinois' FFY2012 allotment, used during state fiscal year 2013, by an estimated 21.2%, but it was not reduced due to the IMLS approved waiver.

**FFY2008 MOE reported in December 2009**

- The required MOE for FFY2008 was \$48,303,444.
- The actual MOE reported for FFY2008 was \$47,791,232, which was less than required by \$512,212.
- The shortfall in MOE proportionally reduced Illinois' FFY2011 allotment by -1.1%. In addition, Congress decreased the 2011 Grants to States federal budget by 7.26% which directly impacted the LSTA allotment.

**FFY2007 MOE reported in December 2008**

- The required MOE for FFY2007 was \$47,788,856.
- The actual MOE reported for FFY2007 was \$48,505,259, which exceeded the requirement by \$716,403, with an increase of 1.5%.

**Prior to FFY2007**, the reported MOE annually exceeded the requirement.

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