

Illinois State Library
Library Services & Technology Act (LSTA) Funding in Illinois
Maintenance of Effort Statutory Background, FAQs, and Facts

The following is excerpted from an IMLS document dated 3/9/11:

**REQUESTING A WAIVER OF THE
MAINTENANCE OF EFFORT (MOE) REQUIREMENT**

Statutory Background:

When a Federal funding program includes a “maintenance of effort” (MOE) provision, a State is required, as a condition of eligibility, to maintain its financial contribution to a program at not less than the amount of its contribution for some prior time period. The IMLS MOE formula ensures that Federal assistance results in an **increased** level of library-related activity and that a State does not **replace** State dollars with Federal dollars over time.

In order for IMLS to make a fully informed and reasoned decision on whether to grant a waiver; it is **essential** that the SLAA include supporting documentation of **exceptional and uncontrollable circumstances** and corresponding rationale that fully substantiate the basis for the request. Requests that do not include evidence of a compelling need for a waiver will be rejected.

Frequently Asked Questions:

Q: Should I apply for a waiver if the amount requested to be waived is relatively small?

A: This is a business decision for the SLAA. Factors to consider might include: whether the request is anticipated to be a one-time request (i.e., the financial future for subsequent years looks brighter); whether it is worth the SLAA personnel time and resources to put together a request; whether it may be better to forego making a request for the immediate year if subsequent year(s) are anticipated to have an even greater financial decline and need for a waiver.

Q: Has IMLS historically granted many waivers?

A: Granting a waiver is a serious matter for IMLS. To date, only a few have been granted.

Q: Will requesting a waiver one year make it less likely that IMLS will grant a request in subsequent years?

A: IMLS will consider each request on its own merits. However, IMLS may consider whether past requests have been made by the State and the respective circumstances.

Q: What about a waiver request on the basis of financial circumstances?

A: For financial circumstances to be considered as equitable grounds for a waiver, the circumstances must be exceptional or uncontrollable such as a precipitous and unforeseen decline in the financial resources of the State. The change in the financial status of the State must have been inevitable, irresistible, and could not have been prevented or avoided by due care. In other words, the change must be beyond the State’s control. It must also have been statewide – a key question is whether the SLAA’s budget was proportionately or disproportionately reduced in comparison with the budgets of the other State agencies.

The above is intended to be general guidance. Each waiver request is evaluated on its particular merits.

MOE Waiver Facts:

- FY2013 Allotment (requests submitted in 2012): 8 states requested, and 8 states received waivers
- FY2012 Allotment (requests submitted in 2011): 10 states requested, and 10 states received waivers
- FY2011 Allotment (requests submitted in 2010): 3 states requested, and 2 states received waivers
- FY2010 Allotment (requests submitted in 2009): 2 states requested, and 2 states received waivers

JESSE WHITE, SECRETARY OF STATE AND STATE LIBRARIAN

For more information about grants from the Secretary of State/Illinois State Library, contact

1-800-665-5576 or isl_grants@ilsos.net

<http://www.cyberdriveillinois.com/departments/library/grants/lsta.html>

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