PERFORMANCE REVIEW

WEST VIRGINIA LIBRARY COMMISSION

AUDIT OVERVIEW

The Library Television Network Duplicates Services Provided by the Educational Broadcasting Authority

The West Virginia Library Commission's Grantee Reporting Requirements Need Improvement. Restrictions on Use of Grant Funds Could Be Strengthened

The WVLC Has Adequate Policies and Procedures in Place Governing Travel for Network Services Field Technicians. However, They Are Not Consistently Followed, Resulting in Questionable Travel Reimbursements

The West Virginia Library Commission Website Is in Need of Improvement in Both User-Friendliness and Transparency

WEST VIRGINIA LEGISLATIVE AUDITOR

PERFORMANCE EVALUATION & RESEARCH DIVISION

JOINT COMMITTEE ON GOVERNMENT OPERATIONS

JOINT COMMITTEE ON GOVERNMENT ORGANIZATION

WEST VIRGINIA LEGISLATIVE AUDITOR

PERFORMANCE EVALUATION & RESEARCH DIVISION

Building 1, Room W-314
State Capitol Complex
Charleston, West Virginia 25305
(304) 347-4890

Aaron Allred	John Sylvia	Michael Midkiff	Noah Browning	Christopher F. Carney
Legislative Auditor	Director	Research Manager	Senior Research Analyst	Referencer

CONTENTS

List of Tables

List of Maps

List of Appendices

EXECUTIVE SUMMARY

The Legislative Auditor conducted an Agency Review of the Department of Education and the Arts (DEA) pursuant to W.VA Code §4-10-8(b)(2). As part of this review, a performance audit was conducted on the West Virginia Library Commission within the DEA. The West Virginia Library Commission provides both financial assistance and management advice to schools, state, and free and public libraries in the state. The objectives of this audit were to answer the following questions:

- Does the West Virginia Library Commission actively monitor and review public library compliance with the Code of State Rules 173-1-3 Grants-in-Aid requirements?

- Are West Virginia Library Commission employees in compliance with agency and statewide travel reimbursement policies?

- Is the television production studio an appropriate and efficient activity for the West Virginia Library Commission to engage in?

The highlights of this review are discussed below.

Frequently Used Acronyms in this Report

WVLC: West Virginia Library Commission
NSD: Network Services Division
LTN: Library Television Network
GIA: Grants-in-Aid
EBA: Educational Broadcast Authority

Report Highlights:

Issue 1: The Library Television Network Duplicates Services Provided by the Educational Broadcasting Authority.

➢ The work and overall intent, not necessarily individual programming, appears to be a duplication of the Educational Broadcast Authority (EBA) as the EBA's mission is to educate, inform and inspire our people by telling West Virginia's story.

➢ The Library Television Network has low circulation of its productions. From FY 2010 through FY 2015, DVD copies of productions circulated 14 times from the State library. Of those 14, one video, a Poetry Out Loud Contest by the Division of Culture and History, was checked out four times, while three other videos were checked out twice. **In effect, 8 separate videos have been checked out since July 2009.**

➢ From FY 2010 through FY 2015, the Video Production Fund had a negative net cash flow for operating activities in four of six years.

Issue 2: The West Virginia Library Commission's Grantee Reporting Requirements Need Improvement. Restrictions on Use of Grant Funds Could Be Strengthened.

➤ Statewide, grants are a significant source of funding for public libraries, representing approximately 30 percent of revenue for public libraries.

➤ Public libraries report expenditures to the WVLC in three categories: personnel, collection, and other. However, the disbursements are not reported by funding source, but rather at the agency level.

➤ Legislative rules place restrictions on the use of state grant funds by limiting the allowable categories to areas as personnel, library materials, and equipment. However, one permissible category is *"all other current operating expenses approved by the board of library directors."* Thus rendering any other restrictions moot.

Issue 3: The WVLC Has Adequate Policies and Procedures in Place Governing Travel for Network Services Field Technicians. However, They Are Not Consistently Followed, Resulting in Questionable Travel Reimbursements.

➤ The Network Services Division (NSD) of the WVLC is responsible for maintaining information technology hardware and software for the public libraries in West Virginia.

➤ Four of eight NSD employees are not adhering to the state travel rule requirement of the shortest practical route. Two employees varied significantly, resulting in estimated excess travel reimbursement of $822.78 and $300.33 for the sampled travel.

➤ NSD employees do not adhere to internal policy and consistently use the Library Visit Sheet to document travel, including destination, start and end times, mileage, and date.

Issue 4: The West Virginia Library Commission Website Is in Need of Improvement in Both User-Friendliness and Transparency.

➤ The WVLC's website has many user-friendly features such as a search tool, social media links, and agency contact information.

➤ The WVLC's website transparency could be improved. The WVLC could add features such as the Executive Secretary's biography, budget data, and performance measures/ outcomes.

Recommendations

1.   *The Legislative Auditor recommends the Legislature terminate the operations of the Library Television Network.*

2.   *The Legislative Auditor recommends the Legislature transfer appropriation, fund balances, and operations, studio equipment, and studio space of the Library Television Network to the Educational Broadcasting Authority.*

3.   *The Legislative Auditor recommends the West Virginia Library Commission propose amendments to its legislative rule by removal of CSR §173-1-6.2(g) and require Commission authority in order for a public library to spend funds outside of approved categories.*

4.   *The Legislative Auditor recommends the West Virginia Library Commission propose amendments to its legislative rule to prohibit public libraries from comingling state grant funds with local sources of revenue.*

5.   *The Legislative Auditor recommends the West Virginia Library Commission's Network Services Director review each travel account settlement form prior to signing off and ensure each trip uses the shortest, practical route as directed by CSR §148-5-2(2)(3) .*

6.   *The Legislative Auditor recommends the West Virginia Library Commission's Network Services Director require staff to complete the library visit sheet and withhold approval of travel account settlement forms until all paperwork is complete and accurate.*

7.   *The Legislative Auditor recommends that the West Virginia Library Commission make the suggested improvements to its website to increase user-friendliness and transparency.*

PERD's Response to Agency's Written Response

On December 9, 2016 PERD received a written response to the report from the Executive Secretary of the West Virginia Library Commission, which can be found in Appendix F. The Executive Secretary agreed with most recommendations, but made arguments regarding the recommendation to terminate operations of the Library Television Network and transfer appropriation, fund balances, and operations, studio equipment, and studio space of the Library Television Network to the Educational Broadcasting Authority. In the agency response, the Executive Secretary makes the following arguments:

Agency Response: The Executive Secretary states that comparing the content and broadcast capabilities of the LTN to the EBA is not appropriate since the LTN produces public access television content and is not a public broadcasting station. Per the Executive Secretary:

> "*public-access television was created by the Federal Communications Commission (FCC) as an alternative system of television and to fulfill some of the social potential of cable television. Public-access television is often grouped with public, educational, and government access television channels, under the acronym PEG. PEG channels*

are typically only available on cable television systems. PEG channels are generally funded by cable television companies through revenues derived from cable television franchise fees, member fees, grants and contributions. PEG access enables members of the public, accredited educational institutions, and government to produce their own shows and televise them to a mass audience.

According to the Executive Secretary, because of this, "*the comments in this report comparing the content and broadcasting capabilities of the WVLC Library Television Network with the Educational Broadcasting Authority assume a duplication of service that is not actually present due to the different roles of public-access television and public broadcasting.*"

PERD Response: While the Library Television Network may produce public access programming, as compared to professionally produced programming through the Educational Broadcasting Authority, PERD's opinion remains unchanged. While content may not be duplicated on a program-for-program basis, significant overlap occurs as both agencies: 1) operate within the same cabinet department, 2) produce content focused on West Virginia, 3) broadcast programming on television and the internet, 4) orient programming for educational purposes, and 5) target the same audience. In the absence of the LTN, state agencies and non-profit entities would still be able to contact cable providers to arrange for the broadcasting of previously recorded LTN productions, as well as programming created themselves on public access channels. Furthermore, state agencies are able to engage EBA at any point for the creation and broadcasting of original content.

Agency Response: The budget also affects the ability of the Library Commission to upgrade cameras. The Library Commission is currently partnering on a project with Culture and History, and Educational Broadcasting that includes upgrading the Library Television Network cameras and affiliated equipment to high definition capability. A few years ago, the Network's field cameras were upgraded to high definition but the Library Commission has been unable to stretch its budget to include the three studio cameras that have to be upgraded simultaneously. The completion of the current upgrade project with Culture and History and the Educational Broadcasting Authority will further expand the ability for all three agencies to cooperate in productions including providing studio space and time for Educational Broadcasting Authority productions from the WVLC Library Television Network studio.

PERD Response: This argument underscores PERD's recommendation to terminate operations of the LTN and transfer appropriation, fund balances, operations, studio equipment, and studio space of the LTN to the EBA. The EBA has high-definition equipment, funding, and broadcasting capability, but lacks studio space on the main campus. Rather than coordinating studio time between two state agencies, the shifting of studio facilities to EBA would place all broadcasting related functions under one agency, resulting in elimination of duplication of effort. Furthermore, as the Executive Secretary notes, EBA is a broadcasting entity, and consequently, the shift of studio space to EBA provides a unified and more streamlined production process. The use of the studio space within the Culture Center would yield benefits for state agencies, elected officials, and the public. Programming recorded in the LTN studio, such as Mountain Stage and Legislature Today, could be taped and broadcast on-site, while the studio could

be used to broadcast emergency messages through the EBA's radio and TV network, and the EBA's satellite link to commercial TV and radio stations during state emergencies.

Agency Response: Both the WVLC Library Television Network and the Educational Broadcasting Authority use television as a means of delivering information, however the methods are complementary and not duplicative. The WVLC Library Television Network is a production facility focused on providing a no-cost communications venue for state agencies and non-profits to inform the public through public access television. The intent is to produce programming that provides information to West Virginians about state government agencies and services, community issues, libraries, and the activities of non-profit organizations such as Hospice Care and the American Heart Association. Without the unique services of the WVLC Library Television Network most of these agencies would not have a television voice.

PERD Response: As the Executive Secretary indicated, both agencies use television to deliver information, and both entities produce West Virginia centric programming. While content may not be duplicated on a program-for-program basis, significant overlap occurs as both agencies: 1) produce content focused on West Virginia, 2) broadcast programming on television and the internet, 3) orient programming for educational purposes, and 4) target the same audience. In the absence of the LTN, state agencies and non-profit entities would still be able to contact cable companies to arrange for the broadcasting of programming on public access channels. Furthermore, state agencies are able to engage EBA at any point for the creation and broadcasting original content.

ISSUE 1

The Library Television Network Duplicates Services Provided by the Educational Broadcasting Authority.

Issue Summary

The WVLC operates the Library Television Network (LTN) to inform and educate the citizens of West Virginia on public libraries and state government. From the agency's inception, the LTN's purpose has been to provide television programming that gives a visual education experience. A secondary reason for existence is the dissemination of information throughout the state. To this end, the LTN makes productions available via the website, the State Library, and on multiple television channels throughout the state. **However, the work and overall intent, not necessarily individual programming, appears to be a duplication of the Educational Broadcasting Authority (EBA) as the EBA's mission is to educate, inform and inspire our people by telling West Virginia's story**. Furthermore, the LTN is unable to produce data supporting statewide consumption of programming in any form.

The work and overall intent of the LTN, appears to be a duplication of the Educational Broadcasting Authority .

LTN Provides Educational Programming, Little Evidence Exists to Support Consumption

The LTN's first full year of operations occurred from 1977-1978. Its mission is to inform and educate the citizens of West Virginia on public libraries and state government. Early productions consisted of videotaped story time, two shows designed to be learning experiences, inspiring young children to choose careers as Forest Rangers or Paramedics, and a 13-show West Virginia History series for eighth grade students. Other smaller projects included documenting the Vandalia Gathering, recording literary artists, and disseminating information to citizens on completion of tax forms. Currently, over 200 segments are produced annually for libraries, state agencies, and non-profits. See Appendix C for a list of productions for FY 2013 through FY 2015.

Services provided by the LTN include the following:

- television studio production;
- on-site production around the state;
- live performances from the Cultural Center Theater;
- post production;
- graphic design production;
- duplication services of VHS[1], DVD, CD; and

---

[1]*It should be noted that VHS is no longer a viable recording option as the last VCR manufacturer ceased production as of July 2016.*

- technical assistance provided for video and satellite related issues.

The LTN is contained within a studio in the basement of the Cultural Center on the State Capitol's main campus. It consists of office space, a control room, editing room, and three stages. Productions are recorded on up to three prosumer[2] level cameras that are approximately 15 years old and analog format. Productions are available online (via the WVLC website), on cable, and for check-out in the State Library.

As shown in Map 1, the LTN is available in approximately 20 counties state wide on multiple cable networks:

Map 1
LTN Cable Coverage Area

Productions are recorded on up to three prosumer level cameras that are approximately 15 years old and analog format.

Statewide, per the WVLC, the LTN is aired for 676 hours per week and 577,900 cable television subscribers have access to the LTN. However, no data exist on actual viewership.

In most instances, the LTN shares a channel[3] with another entity. For example, in Charleston, the LTN shares SuddenLink's Channel 17 (local educational access channel) with Kanawha County Schools, resulting in 84 hours per week of air time. Statewide, per the WVLC, the LTN is aired for 676 hours per week and 577,900 cable television

[2] *Prosumer products fall between professional and consumer grade standards in quality, complexity, or functionality.*

[3] *The LTN is available to cable television subscribers as either the local government access channel or local educational access channel by cable providers.*

subscribers have access to the LTN. However, no data exist on actual viewership. LTN productions are available online for streaming via

the WVLC's website[4]. However, the WVLC is unable to provide data regarding online viewing (e.g. views, clicks, downloads), nor are videos available on other streaming services (e.g. YouTube).

LTN productions are available to check-out from the State Library. From FY 2010 through FY 2015, DVD copies of productions circulated 14 times from the State Library. Of those 14, one video, a Poetry Out Loud Contest by the Division of Culture and History, was checked out four times, while three other videos were checked out twice. **In effect, 8 separate videos have been checked out since July 2009.**

Another issue likely contributing to the public's low use of productions is the quality of the videos. Productions are recorded on outdated standard-definition cameras (versus high-definition cameras) and broadcast on a standard definition television channel. For online viewing, significant file compression occurs in order to house the video on a server, which further degrades the quality. Since standard definition productions are recorded in a 4:3 ratio, they appear worse on high definition televisions as the images are resized to fit the high definition 16:9 ratio. Given that 88 percent of television households have high definition televisions, this likely further limits viewership. As technology has not only advanced to high definition, the Advanced Television Systems Committee, which sets broadcast standards internationally, is working toward an ultra-high definition standard which would result in resolution over 50 times higher than what the LTN uses. Furthermore, upgrading the equipment to either high definition cameras or ultra-high definition cameras is likely beyond the financial capability of the LTN as camera bodies alone cost approximately $35,000 and the annual revenues average $16,900. In addition, if the LTN upgraded to high definition camera, the broadcast channel is a standard definition channel and the quality would likely show little improvement. Consequently, continued use of standard definition will likely further isolate the LTN and limit viewership.

As shown in the screen captures below, in order to be view with clarity, the videos must be watched at a relatively small size, otherwise, viewing at full screen results in a poor quality, pixelated video. Screen Captures 1 through 4 on the next three pages provide examples of the size needed for viewing clarity, as well as the distortions that occur when viewing videos at full screen.

In effect, 8 separate videos have been checked out since July 2009.

Productions are recorded on outdated standard-definition cameras (versus high-definition cameras) and broadcast on a standard definition television channel.

[4] *Video files are encoded in Windows Media Format, requiring Windows Media Player if viewing on a PC, or downloading secondary software if on a different operating platform or an app if using a mobile device. Requiring additional steps for viewing the videos on a mobile device or non-windows platform likely eliminates a significant population of consumers.*

Screen Capture 1
Actual Size for Clarity

Source: History Alive Sacagawea Streaming Video (Catalog ID HC124.38) Available on Library Television Network; Captured June 30, 2016

Screen Capture 2
Actual Size for Clarity
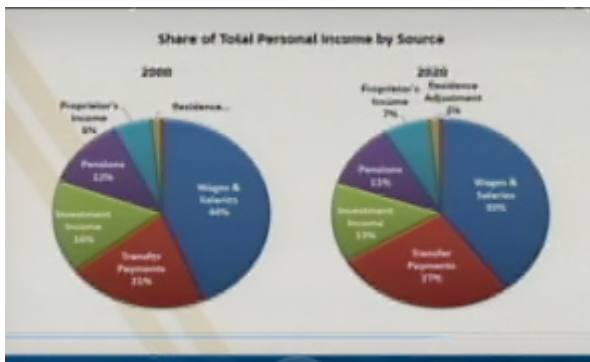
Screen Capture 3
Full Screen View

Source: History Alive Sacagawea Streaming Video (Catalog ID HC124.38) Available on Library Television Network; Captured June 30, 2016

Screen Capture 4
Full Screen View

Source: The State's Economic Outlook Streaming Video (Catalog ID G119.170) Available on Library Television Network; Captured June 30, 2016

LTN Studio Operations Not Self Sustaining

LTN services are free to public libraries, state agencies, and non-profit organizations. In some instances, the LTN charges a fee for video duplication and/or if the entity does not permit use of the video online or in circulation. As Table 1 notes, a review of the Video Production Fund's revenues, disbursements, and fund balances from FY 2010 through FY 2015 indicates the LTN's production operations are not self-sustaining. **From FY 2010 through FY 2015, the Video Production Fund had a negative net cash flow from operating activities in four of six years**. In addition, the average annual expenditures of the fund ($17,648) exceed the average annual revenue ($16,900) for the same time period.
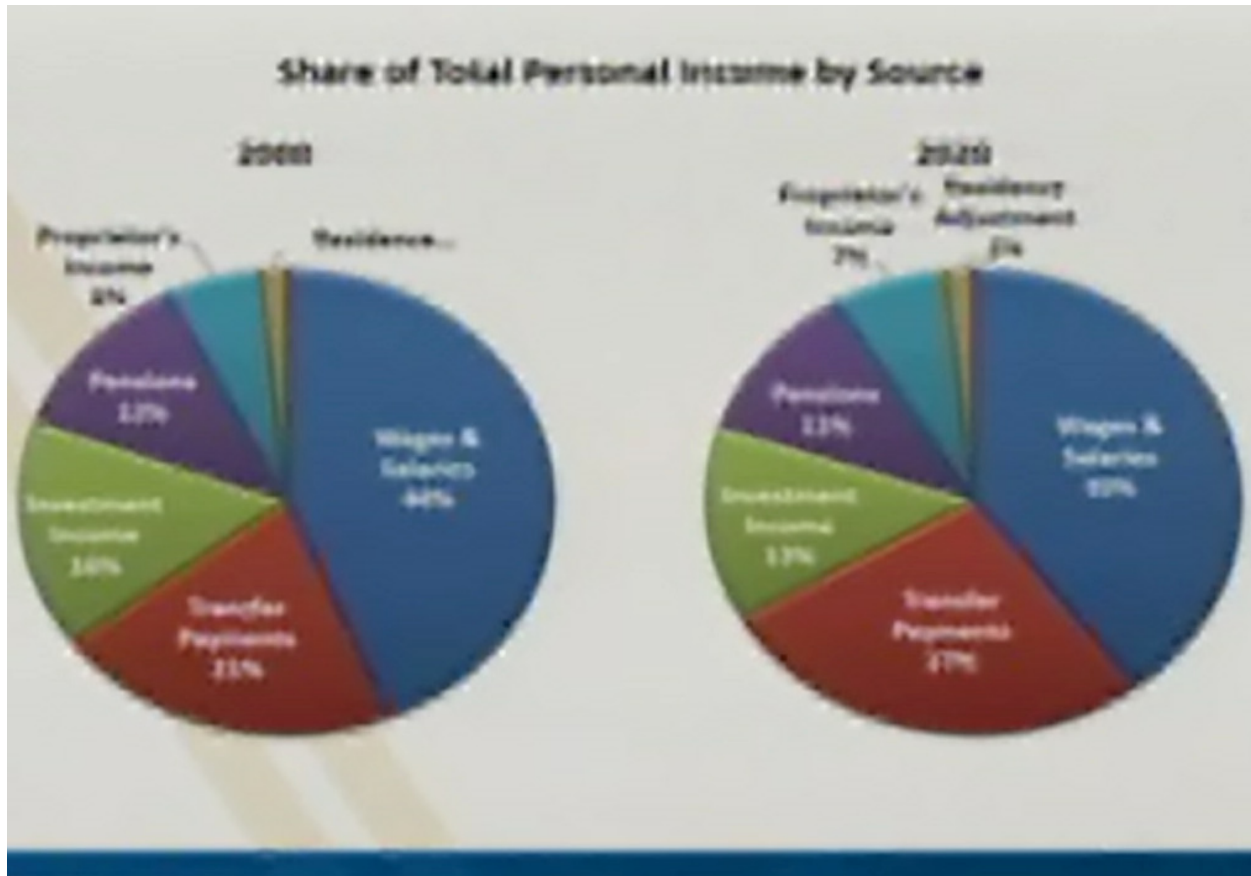
From FY 2010 through FY 2015, the Video Production Fund had a negative net cash flow from operating activities in four of six years.

Table 1 Video Production Fund Cash Flow FY 2010 through FY 2015						
	2010	**2011**	**2012**	**2013**	**2014**	**2015**
Beginning Cash	$14,912	$13,557	$24,894	$19,908	$16,368	$23,494
Revenues	$21,968	$28,092	$9,355	$17,669	$21,941	$2,373
Expenditures	$23,323	$16,755	$14,341	$21,209	$14,815	$15,443
Net Cash Flow from Operating Activities	($1,355)	$11,337	($4,986)	($3,540)	$7,126	($13,070)
Cash Balance	**$13,557**	**$24,894**	**$19,908**	**$16,368**	**$23,494**	**$10,424**
LTN Salaries and Benefits	$150,862	$153,803	$158,560	$159,486	$160,558	$162,740
Excess Over (Under) Cash Balance	**($137,305)**	**($128,909)**	**($138,652)**	**($143,118)**	**($137,064)**	**($152,316)**
Source: West Virginia State Auditor's Office (unaudited)						

Moreover, the expenditures of the Video Production Fund do not account for all costs of operating the LTN. The salaries of the four staff members operating the studio and equipment are paid from the General Fund, and total approximately $160,000 annually. While the Video Production Fund has a positive cash balance, this is misleading as it does not fully account for all related expenses.

The expenditures of the Video Production Fund do not account for all costs of operating the LTN. The salaries of the four staff members operating the studio and equipment are paid from the General Fund, and total approximately $160,000 annually.

Educational Broadcasting Authority Provides Similar Service

The Educational Broadcasting Authority was established by the West Virginia Legislature in 1963 as a public benefit corporation on behalf of noncommercial educational radio, television and related media as it may consider to be in the best interest of the state. Its mission is "to educate, inform and inspire our people by telling West Virginia's story… [it] is a resource for education, news and public affairs, emergency services and economic development." As such, the EBA:

- provides educational videos and curricula via the website West Virginia LearningMedia [sic];
- produces educational programs for television, radio, and online;
- provides media programs and services to the Department of Education, colleges, and universities;
- operates radio and television towers to provide free radio and television programming through PBS and Public Radio; and
- broadcasts information in disaster situations.

The EBA already serves as the State's agency for educational programming.

For FY 2011 through FY 2014, revenues exceeded expenditures by an average of $142,310, and, annually had positive net cash flows except for FY 2012.

In addition, the EBA already serves as the State's agency for educational programming. Table 2 shows that EBA maintains a healthy cash balance within its Television Operating Fund. Furthermore, for FY 2011 through FY 2014, revenues exceeded expenditures by an average of $142,310, and, annually had positive net cash flows except for FY 2012.

Table 2 EBA Television Operating Fund Cash Flow FY 2011 through FY 2014				
	FY 2011	**FY 2012**	**FY 2013**	**FY 2014**
Beginning Cash	$88,069	$391,817	$311,895	$480,798
Revenues	$1,709,742	$1,426,668	$2,094,818	$1,927,199
Expenditures	$1,405,995	$1,506,591	$1,880,915	$1,795,687
Net Cash Flow from Operating Activities	$303,747	($79,923)	$213,903	$131,512
Cash Balance	**$391,817**	**$311,895**	**$480,798**	**$612,311**
Source: West Virginia State Auditor's Office (unaudited)				

Similar to the LTN, the EBA's programming is available via the agency web site and cable. However, the EBA's reach within the state

exceeds that of the LTN by the broadcast reach, availability of videos on YouTube, and over-the-air transmission. As shown in Map 2, the EBA is broadcasted in approximately 55 counties statewide[5], twice that of the LTN.

Map 2
EBA Cable Coverage Area

Source: EBA Website Coverage Map for June 2016

Conclusion

The Legislative Auditor concludes that the operation of the Library Television Network should be terminated because it significantly duplicates the services of the EBA, and there is no data on the usefulness of the LTN service. By statute, the EBA is the State's agency for educational television programming and the LTN function, as described in its mission statement, is duplicative.   The LTN operations are inefficient, have limited reach, and have poor quality video which limit public benefit. Absorption into the EBA would provide a solid

The Legislative Auditor concludes that the operation of the Library Television Network should be terminated because it significantly duplicates the services of the EBA, and there is no data on the usefulness of the LTN service.

---

[5] *Some counties may only be partially covered.*

infrastructure, professional equipment, and larger audience. Moreover, merging the LTN into the EBA would house all educational broadcasting within the same entity. The Legislative Auditor approached the Director of the EBA with a theoretical scenario about the impact of absorbing the LTN (including staff, space, and programming). Overall, the EBA could continue some productions with two provisions. First, the program would need to meet Public Broadcasting Service ethical guidelines (namely no self-promotion or unbalanced views). Secondly, EBA would likely produce fewer segments and/or combine productions into one segment in order to focus on quality. Furthermore, EBA could accomplish this with 2-3 dedicated personnel.

In addition, in response to the Legislative Auditor, the EBA stated use of the studio space within the Culture Center would yield other benefits for state agencies, elected officials, and the public. For example, during the legislative session, the EBA produces and airs a daily half-hour show called "The Legislature Today." EBA could use this studio to tape and broadcast the show, which would be more convenient for lawmakers and citizens to come in for interviews as lawmakers would not have to drive to the downtown studio. Also, it takes the EBA staff approximately a half day to set up and take down all video recording equipment to tape Mountain Stage for television and the internet. This studio could serve as a permanent control room for taping Mountain Stage, saving staff time and making it easier to broadcast shows. The EBA also tapes other performances and events in the Culture Center, such as West Virginia History Bowl and Vandalia performances, which also requires set up and take down of mobile production equipment. Finally, the studio could be used to broadcast emergency messages through the EBA's radio and TV network, and the EBA's satellite link to commercial TV and radio stations during state emergencies.

Recommendations

1. *The Legislative Auditor recommends the Legislature consider terminating the operations of the Library Television Network.*

2. *The Legislative Auditor recommends the Legislature transfer appropriation, fund balances, and operations, studio equipment, and studio space of the Library Television Network to the Educational Broadcasting Authority.*

ISSUE 2

The West Virginia Library Commission's Grantee Reporting Requirements Need Improvement. Restrictions on the Use of Grant Funds Could Be Strengthened.

Issue Summary

The West Virginia Library Commission (WVLC) issues over $9 million in grants-in-aid (GIA) annually to public libraries. While use of GIA funds is largely at the discretion of the local board of directors, the State does place limits on use. West Virginia Code of State Rules (CSR) §173-1-6.2(a) through §173-1-6.2(h) list explicit categories of expense for the use of state funds. However, CSR §173-1-6.2(g) allows a local library to spend funds on any current operating expense approved by the board of directors. This exception effectively renders all other spending requirements moot. In addition, although public libraries provide the WVLC with a significant amount of information regarding budgets at the beginning of a fiscal year, a complete and thorough accounting of the spending of grant funds is not required.

The West Virginia Library Commission (WVLC) issues over $9 million in grants-in-aid (GIA) annually to public libraries.

The WVLC Needs to Gather Better Information Regarding Public Libraries' Use of State Grants-In-Aid

As shown in Table 3, since FY 2011 the WVLC issued over $8 million in GIA to local public libraries annually, with the amount climbing to over $9 million beginning in FY 2013. Statewide, grants are a significant source of funding for public libraries, representing approximately 30 percent of revenue for public libraries. The WVLC issues 97 GIA awards averaging $95,426 (excluding capital grants). However, since the grants are population-based, awards range from $2,528 for the Southern Area Public Library to $884,312 for the Kanawha County Public Library. In order to receive GIA, local libraries must submit an application packet to the Administrative Services Director of the WVLC by June of each calendar year for the upcoming fiscal year (beginning July 1). The packets contain the following:

Statewide, grants are a significant source of funding for public libraries, representing approximately 30 percent of revenue for public libraries.

- application,
- projected budget,
- maintenance of effort report, and
- a planned expenditure of state aid.

Table 3 GIA Issued For FY 2011 through FY 2015					
	FY 2011	**FY 2012**	**FY 2013**	**FY 2014**	**FY 2015**
GIA Issued	$8,181,440	$8,348,884	$9,264,970	$9,439,571	$9,952,288
Source: West Virginia State Auditor's Office Financial Information Management System (unaudited).					

Of the documents received by the WVLC during the application process, the planned expenditure of state aid provides the greatest detail. The document (a form provided by WVLC) lists 9 categories of expenses: personnel, books/materials, audit, building maintenance, continuing education, insurance, programming, utilities, and other. In addition, the form requests a narrative to provide context (e.g. number positions, number of books to be purchased). However, at the close of a fiscal year, the WVLC does not receive the same level of detail. Rather, expenditures are reported in one of three categories: personnel, collection, and other. Furthermore, disbursements are reported at the agency level and not by revenue source.

The CSR provides two reporting requirements for public libraries. First, CSR §173-1-3.8.i requires the submission of an annual financial report within 45 days of the close of a fiscal year. Submission of the annual financial report is accomplished through use of Bibliostat. Bibliostat is a survey tool designed to capture a wide variety of information on use of local public libraries, including visits, circulation, revenue, and expenditures. **However, as noted above, expenditures are only reported in one of three categories: personnel, collection, and other. Furthermore, disbursements are reported at the agency level and not by revenue source.** The second reporting requirement is CSR §173-1-3.8.h, which requires a public library to have an annual independent audit. The audit is to be submitted to the WVLC within 30 days of receipt by the local public library. According to the Administrative Services Director, as part of the WVLC grant management process, the financial information from the independent audits and Bibliostat is reviewed as a way to identify issues with regard to spending. However, a review by the Legislative Auditor found the audits are completed several months after the close of a fiscal year and have to no supporting information on how state funds are spent.

Expenditures are only reported in one of three categories: personnel, collection, and other. Furthermore, disbursements are reported at the agency level and not by revenue source.

The Administrative Services Director has another tool available for managing grants to public libraries: Service Center Library reviews of affiliates. Per CSR §173-1-7.2.e, Service Center Libraries provide professional management services to assigned (affiliate) libraries. Part of the services include evaluations of the collections, fiscal management, and operations of each assigned library. Service Center Libraries report the results annually to the WVLC. However, the fiscal management reviews are conducted by library staff and not trained auditors nor by Certified Public Accountants. Moreover, there is no official format for the reviews and a review by PERD of evaluations noted significant differences in presentation. In addition, five of the 13 Service Center libraries have been given permission to submit the evaluations on a staggered schedule, impairing the ability of the WVLC to identify any issues with grant spending. Infrequent evaluations further hamper the Administrative Services Director's ability to actively manage grants.

Notwithstanding the reporting and reviews, information is insufficient to determine how public libraries use state grant funds. As noted, the financial information received from Bibliostat is at the agency level and is not sufficiently detailed to describe use of state grant funds. Furthermore, the audit team's review of the statement of activities in annual audits found most public libraries comingle state grant funds with other sources of revenue (e.g. local matching funds, donations, fines, and fees). As a result, tracking how state grant funds are spent becomes impossible. The Administrative Services Director's ability to manage grants and review use of state funds is impaired by the combination of these factors. Moreover, no explicit requirement within the Commission's enabling statute or rule regarding segregation of funds exists. Consequently, the WVLC cannot provide a thorough and detailed account for the use of state grant funds.

Although the local libraries have broad spending authority, information is still needed by the State regarding how grant funds are spent and the resulting public benefit. This information is necessary for both the WVLC and the Legislature to make sound budget and policy decisions. Requirements for reporting on the use of state grants already exist in WVC and could be adopted by the WVLC into legislative rules. For example, per WVC §12-4-14, any person who receives state grants is required to file with the grantor a report of the disbursement of funds. The report is intended to test whether state grants were spent as intended. Detailed information, and review by WVLC personnel, would provide greater insight into the benefit derived from state funds, ensure spending adheres to rules set forth by the WVLC, and greater assurance information contained in annual reports and statistical reports is accurate.

The WVLC cannot provide a thorough and detailed account for the use of state grant funds.

Restrictions on Use of Grant Funds Could Be Strengthened

Per the WVLC legislative rules 173-1-6.2(a) through (h), GIA funds may be used for the following purposes:

(a) salaries, wages, and benefits;
(b) library materials;
(c) equipment;
(d) travel expenses for library director, staff, and library trustees to attend meetings workshops and conferences and any other library-related activities approved by the board of directors;
(e) bookmobiles;
(f) audits required by state or federal law, rule or regulation;
(g) all other current operating expenses approved by the board of library directors; and

(h) fellowships for graduate and undergraduate degrees when there exists between the sponsoring public library and the recipient of the fellowship a written agreement.

However, category (g) allows a local library to spend funds on any current operating expense approved by the board of directors. By including a provision allowing a local library board to designate an expense as an appropriate use of state grant funds renders all other requirements moot. Furthermore, allowing local library boards of directors to determine what is an appropriate expense increases the risk of inappropriate activities.

Conclusion

State grant funds are a significant source of funding for public libraries. As GIA represent approximately 30% of revenue for public libraries, elimination would likely result in significant consequences. However, in order to ensure state funds are used appropriately, the Legislative Auditor concludes the WVLC must take a three-prong approach going forward by: 1) requiring state grant funds be segregated from other funds, 2) requiring public libraries to provide a thorough and detailed account of the disbursement of grant awards, and 3) eliminating the ability of local boards of directors to determine how grant funds should be spent. If funds were not comingled, public libraries would be able to provide a greater degree of information on use of state funds. Furthermore, incorporation of provisions similar to the WVC §12-4-14 requirement for a report on the disbursement of state grant funds in the agency's legislative rules or requiring a level of detail mirroring that of the planned expenditures would likely provide the WVLC, and ultimately policy makers, sufficient detail into how state grant funds are being used as well as the benefit derived from the use of funds.

Including a provision allowing a local library board to designate an expense as an appropriate use of state grant funds renders all other requirements moot.

Recommendations

3. *The Legislative Auditor recommends the West Virginia Library Commission propose amendments to its legislative rule by removal of CSR §173-1-6.2(g) and require Commission authority in order for a public library to spend funds outside of approved categories.*

4. *The Legislative Auditor recommends the West Virginia Library Commission propose amendments to its legislative rule to prohibit public libraries from comingling state grant funds with local sources of revenue.*

ISSUE 3

The WVLC Has Adequate Policies and Procedures in Place Governing Travel for Network Services Field Technicians. However, Policies and Procedures Are Not Consistently Followed, Resulting in Questionable Travel Reimbursements.

Issue Summary

The Network Services Division (NSD) of the WVLC provides information technology support to public libraries within the state. Six field technicians are responsible for responding to, and solving, information technology issues. As indicated in the WVLC annual reports, NSD staff traveled over 70,000 miles annually (mainly in personal vehicles). In turn, an analysis by the Legislative Auditor found the travel reimbursements, including mileage and lodging, average $27,424 annually. Field technicians have authority to determine if they need to go to a site to complete work. For oversight, the NSD Director requires the field technicians submit a visit sheet along with the State of West Virginia Travel Expense Account Settlement form in order to receive reimbursement. The visit sheet functions as justification for the trip, capturing start and end times, mileage, description of the issue, location, and the signatures of both the librarian receiving assistance and the field technician performing the work. However, based on a sample of travel, use of the formal visit sheet is limited to 49 percent of the time. The remainder of the time staff submit a signed HelpDesk ticket.

An analysis by the Legislative Auditor found the travel reimbursements, including mileage and lodging, average $27,424 annually.

WVLC Network Services Field Technicians Travel Significantly to Maintain Public Library Information Technology Infrastructure

The Network Services Division (NSD) of the WVLC is responsible for maintaining information technology hardware and software for the public libraries in West Virginia. The assistance is provided to the local libraries at no cost. As shown in Table 4, the NSD responded to 11,645 Help Desk requests in FY 2015, with 1,172 onsite visits and 1,514 virtual connections[6], and travels over 70,000 miles annually.

The NSD responded to 11,645 Help Desk requests in FY 2015, with 1,172 onsite visits and 1,514 virtual connections, and travels over 70,000 miles annually.
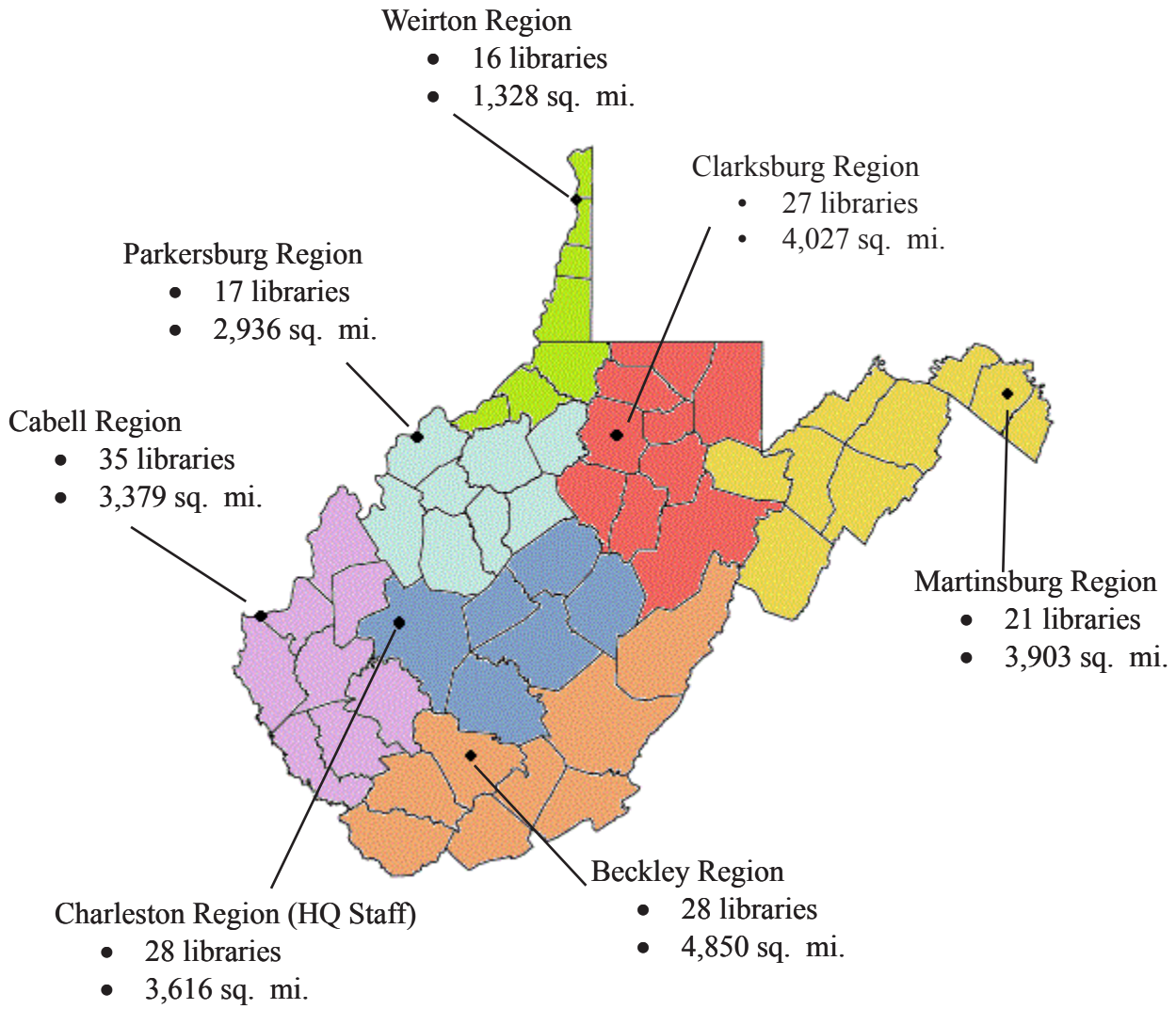
---

[6]*Virtual connections enable field technicians to remotely access a computer and troubleshoot problems rather than travel into the field.*

Table 4
WVLC Help Desk Statistics for FY 2011 through FY 2015

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
Help Desk Requests	4,837	7,341	10,898	11,634	11,645
Onsite Visits	879	987	1,180	1,158	1,172
Virtual Connections	1,872	1,299	1,186	1,486	1,514
Annual Mileage	57,726	79,424	84,443	79,490	79,590
Source: WVLC Annual Reports for FY 2011 through FY 2015 (unaudited).					

As show in Map 3, field technicians are stationed within the following Service Center Libraries: Raleigh County Public Library (Beckley), Cabell County Public Library (Huntington), West Virginia Library Commission (Charleston), Clarksburg-Harrison Public Library (Clarksburg), Martinsburg-Berkeley County Public Libraries (Martinsburg), Parkersburg and Wood County Public Library (Parkersburg), Mary H Weir Public Library (Weirton). As shown below, the NSD divides the state into seven separate regions:

Map 3
WVLC Field Technician Regions

Weirton Region
- 16 libraries
- 1,328 sq. mi.

Clarksburg Region
- 27 libraries
- 4,027 sq. mi.

Parkersburg Region
- 17 libraries
- 2,936 sq. mi.

Cabell Region
- 35 libraries
- 3,379 sq. mi.

Martinsburg Region
- 21 libraries
- 3,903 sq. mi.

Charleston Region (HQ Staff)
- 28 libraries
- 3,616 sq. mi.

Beckley Region
- 28 libraries
- 4,850 sq. mi.

Field technician regions vary in size from 1,328 square miles in the Weirton region to 4,850 square miles in the Beckley region. Similarly, the number of public libraries ranges from 16 in the Weirton Region to 35 in the Cabell region. Field technicians are given the leeway to determine if they need to go into the field using their personal vehicle in order to resolve a situation. Other options for addressing the issue include a virtual connection, phone call, or email. In the event travel is necessary, field technicians must submit a State of West Virginia Travel Account Settlement form, with a library visit sheet for supporting documentation (see Appendix E). The travel account settlement form captures dates, locations, times, mileage, and calculates reimbursement, while the visit sheet captures the issue being resolved, mileage, times, and location for supporting documentation. The Network Services Director is ultimately responsible for directing operations of the division, and signs off on travel account settlement forms.

Field technician regions vary in size from 1,328 square miles in the Weirton region to 4,850 square miles in the Beckley region.

Field Technician Do Not Always Follow Travel Rule or WVLC Procedures

From FY 2011 through FY 2015, field technicians traveled an average of 76,135 miles annually, with total travel reimbursement averaging $27,424.

As shown in Table 5, field technicians traveled significantly in order to maintain the information technology infrastructure for public libraries. From FY 2011 through FY 2015, field technicians traveled an average of 76,135 miles annually, with total travel reimbursement averaging $27,424.

Table 5 WVLC Field Technician Travel Expense and Mileage FY 2011 through FY 2015						
	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	Average
Total Field Technician Travel Reimbursement	$13,225	$34,149	$30,083	$27,110	$32,552	$27,424
Total Annual Mileage	57,726	79,424	84,443	79,490	79,590	76,135

Source: West Virginia State Auditor's Office Financial Information Management System and West Virginia Library Commission Annual Reports (unaudited).

When traveling, field technicians are subject to the West Virginia State Travel Rule CSR §148-5-2(2)(3) and WVLC Network Services Division procedures. The Travel Rule mandates employees travelling by personal vehicle use the shortest, practical route. The Legislative Auditor reviewed a sample of travel reimbursements paid to field technicians for FY 2013 to FY 2015 for adherence to the state travel rule guideline for

taking the shortest practical route when traveling by personal vehicle. Our sample included the two highest reimbursements to each field technician for each fiscal year and covered 37,416 miles (15.4 percent) of miles driven during that time period. **Overall, as shown in Table 6, the Legislative Auditor found that of the eight employees included in the sample, four adhered to the guideline of the shortest practical route as suggested by Google Maps**. Of the four employees whose report mileage is not consistent with suggested shortest, practical mileage, Field Technician 1 and Field Technician 2 varied significantly, resulting in estimated excess travel reimbursement averaging $10.03 and $9.39 per trip, respectively. The presence of potential excess reimbursement indicates employees may not be adhering to the state travel rule requirement for shortest practical route and/or employees are simply not reporting accurate mileage. However, the absence of visit sheets and other documentation makes any concrete conclusions difficult.

Overall the Legislative Auditor found that of the eight employees included in the sample, four adhered to the guideline of the shortest practical route as suggested by Google Maps.

Table 6
WVLC Field Technician Travel Sample Analysis FY 2013 through FY 2015

Field Tech.	Total Trips from Sample	Total Mileage from Sample	Avg. Actual Reimbursement from Sample	Total Mileage Estimate	Mileage Reimbursement Estimate	Excess Reimbursement Per Trip Estimate
1	82	14,173	$81.24	12,422	$71.20	$10.03
2	41	5,736	$65.75	5,837	$66.91	($1.16)
3	41	3,930	$45.05	3,819	$43.77	$1.28
4	32	3,569	$52.42	2,930	$43.03	$9.39
5	33	3,680	$52.41	3,648	$51.96	$0.46
6	20	2,568	$60.35	2,401	$56.42	$3.92
7	13	1,431	$51.74	1,421	$51.36	$0.38
8	26	2,329	$42.10	1,079	$37.16	$4.94
Average	**36**	**4,677**	**$56.38**	**4,195**	**$52.73**	**$3.65**
Median	**33**	**3,625**	**$52.42**	**3,289**	**$51.66**	**$2.60**

Source: PERD Analysis of Travel Account Settlement Forms from the West Virginia State Auditor's Office Financial Information Management Systems and OASIS (unaudited).

In addition to compliance with the state travel rule, the Legislative Auditor reviewed field technicians' adherence to the Network Services Division's procedure requiring a completed visit sheet prior to travel reimbursement. The library visit sheet is intended to provide justification for field work, validation the employee was on site (via signature of the

librarian receiving assistance), as well as capture location, start time, end time, and mileage. The audit team randomly selected 72 trips from the sample discussed above and requested the associated WVLC Visit Sheet. The NSD was able to provide 63 documents[7] (87.5 percent of requested information).

As shown in Table 7, of the documents provided, the Legislative Auditor found 49 percent were a formal visit sheet as required, while 51 percent were some other type of supporting documentation (e.g. an email or signed Help Desk ticket). The audit team reviewed all paperwork, both official forms and other documentation, to determine if a librarian's signature was present and mileage was captured. Our review found that 94 percent of documents were signed by librarians receiving assistance (validation of travel). However, only 43 percent of all documents contained mileage. Inconsistent use of visit sheets increases the risk of inaccurate mileage reimbursement payments and deprives the Network Services Director of a management tool.

Table 7 WVLC Internal Travel Procedure Sample Results	
	Percentage of Sample
Formal Visit Sheet	49.2%
Other Documentation	50.8%
Signed By Librarian	93.7%
Signed by Field Technician	60.3%
Mileage Captured	42.9%

Source: PERD Analysis of Visit Sheet Sample
*PERD requested 72 documents. The percentage above are based upon the number of documents provided.

Conclusion

Given the financial pressure on local governments, maintenance of the local public library information technology assets at no cost to public libraries is a valuable service provided by the WVLC Network Services Division. The Legislative Auditor concludes adequate procedures exist to ensure employees adhere to the state travel rule and report accurate mileage. However, failure to adhere to said procedures resulted in employees submitting travel account settlement forms with mileage greater than the shortest practical route, a violation of CSR §148-5-2(2)(3). Use of visit sheets is a tool for ensuring accurate reporting and payments and should continue to be used. Furthermore, controlling costs and ensuring accurate payments is of even greater importance given agencies must work within increasing financial constraints. As personnel and funding

---

[7] *According to the WVLC, the documents the NSD was unable to provide would not have been required as the travel was related to staff meetings.*

are the two most critical resources available to state agencies, it is prudent for the WVLC to manage both. Furthermore, it will enable the Executive Secretary to prioritize resources and ensure all fixed costs have priority. Use of visit sheets ensures taxpayers funds are being spent in accordance with rules and policy. The Network Services Director should require staff to continue to complete the library visit sheet and withhold approval of travel account settlement forms until all paperwork is complete and accurate.

Recommendations

5. *The Legislative Auditor recommends the West Virginia Library Commission's Network Services Director review each travel account settlement form prior to signing off and ensure each trip uses the shortest, practical route as directed by CSR §148-5-2(2)(3) .*

6. *The Legislative Auditor recommends the West Virginia Library Commission's Network Services Director require staff to complete the library visit sheet and withhold approval of travel account settlement forms until all paperwork is complete and reasonably accurate.*

ISSUE 4

The West Virginia Library Commission Website Is in Need of Improvement in Both User-Friendliness and Transparency.

Issue Summary

The Legislative Auditor's Office conducted a literature review on assessments of governmental websites and developed an assessment tool to evaluate West Virginia's state agency websites (see Appendix D). The assessment tool lists several website elements. Some elements should be included in every website, while other elements such as social media links, graphics and audio/video features may not be necessary or practical for state agencies. Table 8 indicates that the WVLC integrates 46 percent of the checklist items in its website. This measure shows that the WVLC website is in need of more improvement in both user-friendliness and transparency.

Table 8 West Virginia Library Commission Website Evaluation Score			
Substantial Improvement Needed	More Improvement Needed	Modest Improvement Needed	Little or No Improvement Needed
0-25%	26-50%	51-75%	76-100%
	WVLC 46%		
Source: The Legislative Auditor's review of the West Virginia Library Commission's website as of June 20, 2016.			

The WVLC's Website Scores Low in Both User-Friendliness and Transparency.

In order for citizens to engage with a state agency online, they should be able to gain access to the website and to comprehend the information posted there. A user-friendly website employs up-to-date software applications, is readable, well-organized and intuitive, provides a thorough description of the organization's role, displays contact information prominently and allow citizens to understand the organizational structure of the WVLC. Governmental websites should also include budget information and income sources to maintain transparency and the trust of citizens. The Legislative Auditor reviewed the WVLC's website for both user-friendliness and transparency. As illustrated in Table 9, the website scores low in both user-friendliness and transparency. **The**

WVLC should consider making website improvements to provide a better online experience for the public.

Table 9 WVLC Website Evaluation Score			
Category	Possible Points	Agency Points	Percentage
User-Friendly	18	9	50%
Transparent	32	14	44%
Total	50	23	46%
Source: Legislative Auditor's review of the WVLC's website as of April 28, 2016.			

The WVLC's Website Is Navigable but Needs Additional User-Friendly Features.

The WVLC's website does not contain a significant amount of narrative. Rather, the web site is mainly short descriptions of clickable documents. However, the readability of the minimal narrative present and various document is at the 12th grade reading level or higher, which is a higher reading level than recommended for consumption by the general public. A report published by the Brookings Institute determined that government website should be written at an 8th grade reading level to facilitate readability. Readable, plain language helps the public find information quickly, understand the information easily and use the information effectively. The WVLC's website has a search tool and every page also has a navigation bar at the top of the page. These features allow website users to navigate the page, search for information they may need, and find answers to their questions.

User-Friendly Considerations

The following are attributes that could lead to a more user-friendly WVLC website:

- **Help Link** - A link that allows users to access a FAQ section and agency contact information on a single page.

- **Mobile Functionality** – Available in a mobile version and/or the agency has created mobile applications.

- **Feedback Options** – A page where users can voluntarily submit feedback about the website or particular section of the website.

> ➢ **Foreign language accessibility** – Contain a link to translate all pages into languages other than English.

      The WVLC's website does not have elements such as the ability to access the website from a mobile friendly version, feedback options, a survey that allows users to evaluate the website, or the ability to follow the page using RSS feeds. The WVLC's website also does not allow users to translate pages into languages other than English. The absence of these elements lower the WVLC's overall user-friendliness score but some are not necessarily essential for the WVLC to convey the WVLC's role and do not unduly impede the public from finding information.

The WVLC's Website Needs to Be More Transparent.

      A website that is transparent will have elements such as email contact information, the location of the agency, the agency's phone number, as well as public records, budgetary data and performance measures. A transparent website will also allow for citizen engagement so that their government can make policies based on the information shared. The Website Criteria Checklist and Points System (see Appendix D) demonstrates that the WVLC's website has 14 of 32 core elements that are necessary for a general understanding of the WVLC.

      The WVLC's home page does not have the WVLC's office email and physical address as well as its telephone number. A toll free phone number is located at the bottom of the page. Several clicks are necessary to navigate to the staff directory. Furthermore, no contact information is available for any of the Commission members. Such information allows citizens to locate the information necessary to communicate with the WVLC. The WVLC website has a link for the agency annual report and statistical report, but does not include meeting minutes.

Transparency Considerations

      Several other elements could be added to improve the website's transparency score. The following are a few attributes that could be beneficial to the WVLC in increasing its transparency:

> ➢ **Public Records** - All applicable public records relating to the agency's function such as statutes, rules/regulations, contracts, meeting minutes, and audits.

> ➢ **Location of Agency Headquarters** – An embedded map that shows the agency's location.

➢ **Administrator's Biography** – A biography explaining the administrator(s) professional qualifications and experience.

➢ **Budget Data** – Budget data available at the checkbook level, ideally in a searchable database.

➢ **Agency Organizational Chart** – A narrative describing the agency organization, preferably in a pictorial representation such as a hierarchy/organizational chart.

➢ **FOIA Information** – Information on how to submit a FOIA request, ideally with an online submission form.

➢ **Performance Measures/Outcomes** – A page linked to the homepage explaining the agencies performance measures and outcomes

Conclusion

Overall, the WVLC's website scores low in both user-friendliness and transparency. While users can find most needed information such as finding a local library, meeting dates, and contact information, adding other elements would improve the website and make it more accessible for the public.

Recommendation

7.   *The Legislative Auditor recommends that the West Virginia Library Commission make the suggested improvements to its website to increase user-friendliness and transparency.*

Appendix A
Transmittal Letter

WEST VIRGINIA LEGISLATURE
Performance Evaluation and Research Division

Building 1, Room W-314
1900 Kanawha Boulevard, East
Charleston, West Virginia 25305-0610
(304) 347-4890
(304) 347-4939 FAX

John Sylvia
Director

November 14, 2016

Karen Goff, Executive Secretary
West Virginia Library Commission
1900 Kanawha Boulevard East
Culture Center, Bldg. 9
Charleston, WV 25305

Dear Ms. Goff:

This is to transmit a draft copy of the Agency Review of the Department of Education and the Arts, specifically the West Virginia Library Commission. This report has not yet been scheduled to be presented during interim meetings of the Joint Committee on Government Operations, and the Joint Committee on Government Organization. We will inform you of the time and location once the information becomes available. It is expected that a representative from your agency be present at the meeting to orally respond to the report and answer any questions committee members may have during or after the meeting.

We would like to schedule an exit conference to discuss any concerns you may have with the report between Tuesday, November 15, 2016 and Tuesday, November 22, 2016. In addition, we need your written response by noon on Monday, December 5, 2016 in order for it to be included in the final report. Once an interim date has been established, if your agency intends to distribute additional material to committee members at the meeting, please contact the House Government Organization staff at 304-340-3192 to make arrangements.

We request that your personnel not disclose the report to anyone not affiliated with your agency. Thank you for your cooperation.

Sincerely,

John Sylvia

John Sylvia

Enclosure

Joint Committee on Government and Finance

Appendix B
Objectives,Scope and Methodology

The Performance Evaluation and Research Division (PERD) within the Office of the Legislative Auditor conducted this performance review of the West Virginia Library Commission(WVLC) as part of the agency review of the West Virginia Department of Education and the Arts as required by West Virginia Code §4-10-8(b)(2). The purpose of the Agency, as established in West Virginia Code §10-1-14, is to give assistance, advice and counsel to all school, state-institutional, free and public libraries, and to all communities in the state which may propose to establish libraries, as to the best means of establishing and administering them, selecting and cataloging books, and other details of library management, and may send any of its members to aid in organizing such libraries or assist in the improvement of those already established.

Objectives

There are four objectives in this review. The first is to determine whether the Library Television Network (LTN) is an appropriate and efficient actively for the West Virginia Library Commission to engage in. The second objective is to determine if the West Virginia Library Commission actively monitors and reviews public library compliance with the Code of State Rules 173-1-3 Grants-in-Aid requirements. The third objective is to review and determine if West Virginia Library Commission employees are in compliance with agency and statewide travel reimbursement policies. The final objective is to assess the WVLC website for user-friendliness and transparency.

Scope

For Issue 1, the scope consisted of LTN operations for fiscal years 2010 – 2015 and comparing functions to those of other state agencies. The scope for Issue 2 consisted of evaluating WVLC's process in overseeing public library compliance with CSR 173 grants-in-aid provisions. The time period of our review covered fiscal years 2013 - 2015. The scope included the reviewing the allowable uses of grant funds in CSR §173-1-3. The scope for Issue 3 covered fiscal years 2013 – 2015. The scope also included determining if employees were in compliance with the West Virginia State Travel Rule as well as internal agency policies/procedures. For Issue 4, the scope comprised a review of WVLC's website on April 26, 2016.

Methodology

With regard to Issue 1 though Issue 3, PERD gathered both testimonial evidence and documentary evidence. Testimonial evidence was gathered through interviews with the WVLC's staff. The purpose for testimonial evidence was to gain a better understanding or clarification of certain issues such as general grant management practices, and to confirm the existence or non-existence of a condition, or to understand the respective agency's position on an issue. PERD confirmed by either written statements or the receipt of corroborating evidence such testimonial evidence.

For Issue 1, PERD reviewed historical documents discussing the establishment of the LTN (namely the 1978 Annual Report) as well as interviewed the Technical Director. In addition, PERD assessed the appropriateness and efficiency based upon the comparison of the reasoning behind the LTN to West Virginia Code, West Virginia Administrative Rules, and agency mission. Further, the audit team reviewed the purpose, productions (type, nature, entity, etc), and coverage area of the LTN in comparison to other state agencies with

similar functions and capabilities to identify possible redundancy and/or duplication of effort. In addition, PERD requested circulation data, web traffic data, and viewership data in order to determine if the service is desired and actively used by the public and the public libraries.

For Issue 2, the agency does not have a procedures manual indicating its grant oversight procedures. Therefore, the PERD team had discussions with WVLC staff, specifically the Administrative Services Director, on what procedures it followed in assuring public library compliance with the grant requirements. As the Administrative Services Director indicated the agency relies upon annual financial reports and audits to manage grants and ensure proper spending, PERD reviewed copies of annual financial report for FY 2013 and FY 2015, audits of public libraries, and reviews conducted by service center libraries of their affiliates.

For Issue 3, PERD requested and reviewed the WVLC internal policies/procedures governing employee travel. The Network Services Director noted that Field Network Services technicians were required to fill out a Library Visit Sheet as supporting documentation and justification for travel. In addition, the audit team reviewed the West Virginia Travel Management Office rule as it applies to travel within the state by personal vehicle. PERD identified six employees with the highest travel reimbursement payments and, from this group, sampled the two highest travel reimbursement payments for FY 2013 through FY 2015. The travel reimbursements were reviewed to determine compliance with the West Virginia Travel Management Office's rule as it pertains to travel by personal vehicle. PERD also selected randomly selected 72 separate travel instances and requested the internal Library Visit Sheet associated with the reimbursement.

For Issue 4, PERD conducted a literature review of government website studies, reviewed top-ranked government websites, and reviewed the work of groups that rate government websites in order to establish a list of essential website elements that would enhance transparency and user-friendliness to evaluate the WVLC's website. It is understood that not every element listed in the master list is to be found in an agency website because some of the technology may not be practical or useful for some state agencies. Therefore, PERD compared the WVLC's website to the established criteria for user-friendliness and transparency so that the agency can determine if it is progressing in step with the e-government movement and if it should make improvements to its website. Screen shots of the website taken on September 7, 2016 serve as physical evidence for the April 26, 2016 evaluation.

We conducted this performance audit in accordance with generally-accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Appendix C
Library Television Network Productions

Library Television Network Productions FY 2013	
Show and Entity	**Total Productions**
History Alive - WV Humanities Council	
WV on the DOT - Division of Highways	8
Women's Perspective - Alzheimer's Association of WV	11
Say What - Dave Hardy	9
State Dollar - WV Auditor's Office	10
Distress Signals - WV Division of Homeland Security & Emergency	9
Your DNR - WV Division of Natural Resources	9
Legal Journal - WV Attorney General's Office	5
Senior Connection - St. Francis Hospital	8
Treasury Notes - WV Treasurer's Office	8
Vital Signs - Dr. Richard C. Rashid	9
Inside Insurance - WV Insurance Commission	8
Prevention WV - Prevention Resource Center	2
Life Challenges - Sharon King & Dr. David Clayman	9
Exploring Long Term Care - Healthcare Association	7
Art Works - WV Division of Culture & History Arts Division	10
Access for All - Center for Excellence in Disabilities	10
West Virginia Coal Seam - WV Coal Association	8
From the Heart - American Heart Association WV Chapter	10
Extension Matters - WV State University Extension	5
West Virginia Legacy - WV Division of Culture & History	9
Library Update - WV Library Commission	9
Forestry Today - WV Division of Forestry	5
Today in Agriculture - WV Division of Agriculture	11
West Virginia Author - Mountain State Press	7
Spotlight on Health - Kanawha/Charleston Health Department	11
Focus on the Arts - WVU Arts & Sciences Center	10
Welcome Home - WV Habitat for Humanity	3
Community Issues - WV Municipal League	4
Total	**225**

Library Television Network Productions FY 2014	
Show and Entity	**Total Productions**
History Alive - WV Humanities Council	2
WV on the DOT - Division of Highways	9
Women's Perspective - Alzheimer's Association of WV	11
Say What - Dave Hardy	11
State Dollar - WV Auditor's Office	11
Distress Signals - WV Division of Homeland Security & Emergency	9
Your DNR - WV Division of Natural Resources	7
Senior Connection - St. Francis Hospital	9
Treasury Notes - WV Treasurer's Office	9
Vital Signs - Dr. Richard C. Rashid	10
West Virginia Coal Seam - WV Coal Association	6
Welcome Home - WV Habitat for Humanity	6
Life Challenges - Sharon King & Dr. David Clayman	9
Art Works - WV Division of Culture & History Arts Division	11
Access for All - Center for Excellence in Disabilities	7
Community Issues - WV Municipal League	11
From the Heart - American Heart Association WV Chapter	10
Library Update - WV Library Commission	10
West Virginia Legacy - WV Division of Culture & History	10
Forestry Today - WV Division of Forestry	4
Inside Insurance - WV Insurance Commission	8
Today in Agriculture - WV Division of Agriculture	1
West Virginia Author - Mountain State Press	9
Spotlight on Health - Kanawha/Charleston Health Department	10
Serving Those Who Served - WV Department of Veterans Affairs	4
Paws-TV - Charleston Humane Society	3
Focus on the Arts - WVU Arts & Sciences Center	3
Total	**210**

Library Television Network Productions FY 2015	
Show and Entity	**Total Productions**
History Alive - WV Humanities Council	5
WV on the DOT - Division of Highways	10
Women's Perspective - Alzheimer's Association of WV	11
Say What - Dave Hardy	11
State Dollar - WV Auditor's Office	11
Distress Signals - WV Division of Homeland Security & Emergency	11
Your DNR - WV Division of Natural Resources	8
Senior Connection - St. Francis Hospital	10
Treasury Notes - WV Treasurer's Office	6
Vital Signs - Dr. Richard C. Rashid	9
West Virginia Coal Seam - WV Coal Association	7
Paws-TV - Charleston Humane Society	5
Life Challenges - Sharon King & Dr. David Clayman	9
Art Works - WV Division of Culture & History Arts Division	11
Access for All - Center for Excellence in Disabilities	11
Community Issues - WV Municipal League	11
From the Heart - American Heart Association WV Chapter	7
Library Update - WV Library Commission	5
West Virginia Legacy - WV Division of Culture & History	9
Forestry Today - WV Division of Forestry	7
West Virginia Author - Mountain State Press	9
Spotlight on Health - Kanawha/Charleston Health Department	3
Serving Those Who Served - WV Department of Veterans Affairs	10
Focus on the Arts - WVU Arts & Sciences Center	3
Caregiver Coffee Break - HospiceCare	4
The Road Ahead "Senior Living" - Bureau of Senior Services	3
Working With You - WVU Extension Service	4
Welcome Home - WV Habitat for Humanity	4
The State of Health - Department of Health & Human Resources	4
Total	**219**

Appendix D
Website Criteria Checklist and Points System

West Virginia Library Commission			
User-Friendly	**Description**	**Total Points Possible**	**Total Agency Points**
Criteria	The ease of navigation from page to page along with the usefulness of the website.	**18**	**9**
		Individual Points Possible	**Individual Agency Points**
Search Tool	The website should contain a search box (1), preferably on every page (1).	2 points	2 points
Help Link	There should be a link that allows users to access a FAQ section (1) and agency contact information (1) on a single page. The link's text does not have to contain the word help, but it should contain language that clearly indicates that the user can find assistance by clicking the link (i.e. "How do I…", "Questions?" or "Need assistance?")	2 points	1 point
Foreign language accessibility	A link to translate all webpages into languages other than English.	1 point	0 points
Content Readability	The website should be written on a 6th-7th grade reading level. The Flesch-Kincaid Test is widely used by Federal and State agencies to measure readability.	No points, see narrative	
Site Functionality	The website should use sans serif fonts (1), the website should include buttons to adjust the font size (1), and resizing of text should not distort site graphics or text (1).	3 points	2 points
Site Map	A list of pages contained in a website that can be accessed by web crawlers and users. The Site Map acts as an index of the entire website and a link to the department's entire site should be located on the bottom of every page.	1 point	1 point

West Virginia Library Commission			
Mobile Functionality	The agency's website is available in a mobile version (1) and/or the agency has created mobile applications (apps) (1).	2 points	0 points
Navigation	Every page should be linked to the agency's homepage (1) and should have a navigation bar at the top of every page (1).	2 points	2 points
FAQ Section	A page that lists the agency's most frequent asked questions and responses.	1 point	0 points
Feedback Options	A page where users can voluntarily submit feedback about the website or particular section of the website.	1 point	0 points
Online survey/poll	A short survey that pops up and requests users to evaluate the website.	1 point	0 points
Social Media Links	The website should contain buttons that allow users to post an agency's content to social media pages such as Facebook and Twitter.	1 point	1 point
RSS Feeds	RSS stands for "Really Simple Syndication" and allows subscribers to receive regularly updated work (i.e. blog posts, news stories, audio/video, etc.) in a standardized format.	1 point	0 points
Transparency	**Description**	**Total Points Possible**	**Total Agency Points**
Criteria	A website which promotes accountability and provides information for citizens about what the agency is doing. It encourages public participation while also utilizing tools and methods to collaborate across all levels of government.	**32**	**14**
		Individual Points Possible	**Individual Agency Points**
Email	General website contact.	1 point	1 point
Physical Address	General address of stage agency.	1 point	1 point
Phone Number	Correct phone number of state agency.	1 point	1 point

West Virginia Library Commission			
Location of Agency Headquarters	The agency's contact page should include an embedded map that shows the agency's location.	1 point	0 points
Administrative officials	Names (1) and contact information (1) of administrative officials.	2 points	2 points
Administrator(s) biography	A biography explaining the administrator(s) professional qualifications and experience.	1 point	0 points
Privacy policy	A clear explanation of the agency/state's online privacy policy.	1 point	1 point
Public Records	The website should contain all applicable public records relating to the agency's function. If the website contains more than one of the following criteria the agency will receive two points: • Statutes • Rules and/or regulations • Contracts • Permits/licensees • Audits • Violations/disciplinary actions • Meeting Minutes • Grants	2 points	2 points
Complaint form	A specific page that contains a form to file a complaint (1), preferably an online form (1).	2 points	0 points
Budget	Budget data is available (1) at the checkbook level (1), ideally in a searchable database (1).	3 points	0 points
Mission statement	The agency's mission statement should be located on the homepage.	1 point	0 points
Calendar of events	Information on events, meetings, etc. (1) ideally imbedded using a calendar program (1).	2 points	2 points

West Virginia Library Commission			
e-Publications	Agency publications should be online (1) and downloadable (1).	2 points	2 points
Agency Organizational Chart	A narrative describing the agency organization (1), preferably in a pictorial representation such as a hierarchy/ organizational chart (1).	2 points	0 points
Graphic capabilities	Allows users to access relevant graphics such as maps, diagrams, etc.	1 point	1 point
Audio/video features	Allows users to access and download relevant audio and video content.	1 point	1 point
FOIA information	Information on how to submit a FOIA request (1), ideally with an online submission form (1).	2 points	0 points
Performance measures/ outcomes	A page linked to the homepage explaining the agencies performance measures and outcomes.	1 point	0 points
Agency history	The agency's website should include a page explaining how the agency was created, what it has done, and how, if applicable, has its mission changed over time.	1 point	0 points
Website updates	The website should have a website update status on screen (1) and ideally for every page (1).	2 points	0 points
Job Postings/links to Personnel Division website	The agency should have a section on homepage for open job postings (1) and a link to the application page Personnel Division (1).	2 points	0 points

Appendix E
WVLC Network Services Division Visit Sheet

WV Library Commission Network Services Library Visit Sheet

Call Details

Ticket No. :	7685	Date :	08/01/2012 10:44:19 PM
Help Desk :	Help Desk	Phone :	
Library :	Hampshire County — Romney	:	Help Desk
Call Type :	Hardware	Sub Type :	WorkForce WV
Technician :	Tina	Category :	3. Priority 3
Status :	In Progress		

Summary : Setup Workforce Computers

Problem : Also secure the cables and headphone extensions in the child area. Fresh installs of Windows on PC 1 and the Patron catalog pc.

Resolution : 08/01/2012 - Secured the cables in the child area today and discussed everything that needs done with Trise. Going back tomorrow to work on everything more

---

Date of Service: 08/01/20112   Time In: 3:00 pm   Time Out: 6:15 pm

Method: Phone   Remote (VNC, etc)   Site Visit: X   Miles: 160

Equipment Identification:

Device IP: Multiple   Device name/function: Multiple

Manufacturer: Multiple   Model: Multiple   Serial or Tag #: Multiple

Technician observation / recommendation:
See Above

Action Taken:
See Above

Anna M. Poland 8-1-12
Librarian Signature   Date

_Ti M. Sy_ 8/1/12
Technician Signature   Date

Appendix F
Agency Response

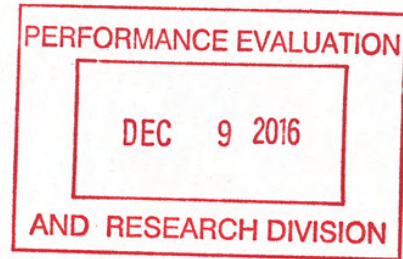**WEST VIRGINIA LIBRARY COMMISSION**

Culture Center • 1900 Kanawha Blvd. E. • Charleston, WV 25305 Phone: 304.558.2041 • FAX: 304.558.2044 • In-State Toll Free: 800.642.9021

Karen Goff, Executive Secretary

December 9, 2016

John Sylvia, Director
West Virginia Legislature
Performance Evaluation & Research Division
Building 1, Room W-314
1900 Kanawha Boulevard E.
Charleston, WV 25305-0610

> PERFORMANCE EVALUATION
>
> DEC 9 2016
>
> AND RESEARCH DIVISION

Dear Director Sylvia:

Enclosed is the agency response to the draft copy of the Performance Review of the West Virginia Library Commission that was received November 14, 2017 and discussed in an exit interview on November 22. Thank you for extending the due date for this response to accommodate my travel schedule.

Throughout the process of this review I have been impressed with the professionalism and dedication of your staff, particularly Noah Browning, the lead investigator. He has diligently sought information, listened to explanations, and kept the agency informed of his progress. Although I do not agree with all of the recommendations of this report, I respect the effort and the purpose.

Please let me know if I can be of further assistance.

Respectfully,

Karen Goff
Executive Secretary

December 12, 2016

Performance Review of the West Virginia Library Commission
Agency Response

Issue 1: **The Library Television Network Duplicates Services Provided by the Educational Broadcasting Authority**

A key difference between the public service missions of the WVLC Library Television Network and the Educational Broadcasting Authority is not fully reflected in this report. The WVLC Library Television Network, a division of the West Virginia Library Commission, focuses on the production of content for public access television. Public-access television was created by the Federal Communications Commission (FCC) as an alternative system of television and to fulfill some of the social potential of cable television. Public-access television is often grouped with public, educational, and government access television channels, under the acronym PEG. PEG channels are typically only available on cable television systems. PEG channels are generally funded by cable television companies through revenues derived from cable television franchise fees, member fees, grants and contributions. PEG access enables members of the public, accredited educational institutions, and government to produce their own shows and televise them to a mass audience.

Public-access television and public broadcasting are not synonymous. The Educational Broadcasting Authority is the West Virginia state government agency that holds the public television and radio licenses for all Public Broadcasting Service (PBS), National Public Radio (NPR), Public Radio International (PRI), and American Public Television member stations licensed in West Virginia. Public Broadcasting Service (PBS) produces public television, offering an educational television broadcasting service of professionally produced, highly curated content.

The comments in this report comparing the content and broadcasting capabilities of the WVLC Library Television Network with the Educational Broadcasting Authority assume a duplication of service that is not actually present due to the different roles of public-access television and public broadcasting

The report correctly points out that the Library Commission has not focused on collecting data on viewership, relying on the 676 hours of statewide cable availability and other access. The Library Commission is currently taking steps, including working with West Virginia Interactive, the company that designs and hosts web pages for state government, to find a way to better track views initiated from the WVLC website. Hosting WVLC Library Television Network productions on Vimeo or YouTube has

1

WEST
VIRGINIA
LIBRARY
COMMISSION

December 12, 2016

also been contemplated. The Library Commission has a YouTube channel but is only posting its own production, *Libraries Today,* at this time. A few of the other agencies that use WVLC Library Television Network production services also post to their agency YouTube channels. Long term storage on services such as YouTube is not free and long term access is not certain. Both issues are of concern to the Library Commission. There is no charge for the current storage method. In addition, the Library Commission catalogs and archives all master copies of productions.

Budget also affects the ability of the Library Commission to upgrade cameras. The Library Commission is currently partnering on a project with Culture and History and Educational Broadcasting that includes upgrading the Library Television Network cameras and affiliated equipment to high definition capability. A few years ago the Network's field cameras were upgraded to high definition but the Library Commission has been unable to stretch its budget to include the three studio cameras that have to be upgraded simultaneously. The completion of the current upgrade project with Culture and History and the Educational Broadcasting Authority will further expand the ability for all three agencies to cooperate in productions including providing studio space and time for Educational Broadcasting Authority productions from the WVLC Library Television Network studio.

The report comments that the WVLC Library Television Network is not self-sustaining, a comment that could be made about many state agencies and agency divisions. The Library Commission is not a revenue generating agency to the point that a previous audit found that the agency was not even permitted to charge library users for photocopies.

The Library Commission contends that although both the WVLC Library Television Network and the Educational Broadcasting Authority use television as a means of delivering information, that the methods are complementary and not duplicative. The WVLC Library Television Network is a production facility focused on providing a no cost communications venue for state agencies and non-profits to inform the public through public access television. The intent is to produce programming that provides information to West Virginians about state government agencies and services, community issues, libraries, and the activities of non-profit organizations such as Hospice Care and the American Heart Association. Without the unique services of the WVLC Library Television Network most of these agencies would not have a television voice.

2

December 12, 2016

Issue 2: **The West Virginia Library Commission's Grantee Reporting Requirements Need Improvement. Restrictions on the Use of Grant Funds Could Be Strengthened.**

        The Library Commission agrees with the report's comments concerning the need to segregate state grant funds from other local library funds. Plans are in place to inform library directors that this will be a requirement beginning with the 2018 fiscal year. Plans are also in place to provide appropriate training on methods of segregating the funds and expenditures. Beginning with the 2019 fiscal year, libraries receiving state funds will be required to submit detailed accounts of the disbursement of grant awards along with their annual applications for state aid.

        The new reporting requirements will also provide the Library Commission with a way of checking for any misuse of the "other operating expenses" category. When applying for state id, libraries currently must specifically describe what expenses are included in that category. The new requirements will ensure that disbursements match intent. A review of fiscal year 2017 applications indicated that Twenty-nine of the 97 public library systems used the "other" line. The common usages were for professional organization dues, supplies/copiers, and postage.

Issue 3: **The WVLC has Adequate Policies and Procedures in Place Governing Travel for Network Services Field Technicians. However, Policies and Procedures Are Not Consistently Followed, Resulting in Questionable Travel Reimbursements.**

        The Library Commission has already taken steps to implement the report's recommendations.

Issue 4: **The West Virginia Library Commission Website Is In Need of Improvement in Both User-Friendliness and Transparency.**

        The Library Commission initiated a web site revision process with West Virginia Interactive in April of 2016. Staff vacancies have delayed the completion of the project which included many of the report's recommendations. Those not already included in the plan will be added.

3