RAILS FY2016 Support to SWAN Financial Model Worksheet

This financial model determines the fees paid to RAILS by the LLSAPs, or the amount paid to LLSAPs by RAILS, in FY2016. This worksheet will be used in each fiscal year of the FY2016-2018 Intergovernmental Agreement between RAILS and SWAN to calculate RAILS support to LLSAPs according to the terms outlined in Appendix C of the Intergovernmental Agreement.

1. Determine total RAILS support to LLSAPs

Target amount for total direct and indirect support for all LLSAPs is determined by RAILS Executive Director, in consultation with RAILS staff and approved by the RAILS Board, taking into consideration RAILS strategic goals and other budgetary factors. Excludes additional funding such as the RAILS LLSAP Membership Grant and rebate to LLSAPs for 100% eRead Illinois participation.

Total RAILS support to LLSAPs: $2,250,000.00

2. Use support allocation formula to determine support for each individual LLSAP

This formula (below) allocates total RAILS support to LLSAPs (above) based on weighted components representing the composition and activities of an LLSAP and its member libraries. Each component is weighted as outlined below. Support for each individual LLSAP is calculated by distributing the total RAILS support to LLSAPs (above) across each component, then distributing to each individual LLSAP based on the data value of each component for that LLSAP. Components B through G are calculated based on the average for the previous three years.

	Component	*Weighting*
A	**Resource sharing base amount** *Divided equally between LLSAPs*	35%
B	**Number of circulating members (buildings)** *Data source: LLSAP annual reports as submitted to the Illinois State Library by RAILS, and using the total as of January 1 for the current fiscal year*	30%
C	**Number of union list members (buildings)** *Data source: LLSAP annual reports as submitted to the Illinois State Library by RAILS, and using the total as of January 1 for the current fiscal year*	10%
D	**Resource sharing activity – interlibrary loan and reciprocal borrowing transactions** *Data source: LLSAP annual reports as submitted to the Illinois State Library by RAILS*	10%
E	**Population served** • *Public libraries population served data source: Illinois Public Library Annual Report (IPLAR), submitted to the Illinois State Library by public library directors* • *School and academic libraries student FTE data source: reported by libraries directly to LLSAP managers*	5%

F	**Total annual circulation** *Data source: LLSAP annual reports as submitted to the Illinois State Library by RAILS*	5%
G	**Number of circulating members with materials budget under $25,000** *This is an "equalization" component intended to increase support for LLSAPS with many smaller members.* • *Public libraries data source: IPLAR* • *School and academic libraries data source: reported by libraries directly to LLSAP managers*	5%

RAILS support for SWAN: $565,926.91

3. Determine RAILS expenses for support to each individual LLSAP

Total cost of providing services to SWAN as outlined in Appendix A and Appendix B of the FY2016-2018 Intergovernmental Agreement between RAILS and SWAN. Based on RAILS annual budget as approved by the RAILS Board. This includes items charged to the budget lines for each LLSAP, which are expenditures directly supporting LLSAP staff and operations, as well as overhead costs for providing LLSAP support which are charged to RAILS general lines and allocated to each LLSAP based on use. Excludes additional funding such as the RAILS LLSAP Membership Grant and rebate to LLSAPs for 100% eRead Illinois participation.

RAILS expenses for support to SWAN : $216,784.00

4. Determine the fee paid to RAILS by SWAN, or the amount paid by RAILS to SWAN.

If RAILS expenses (3) are greater than RAILS support (2), the difference is the fee paid to RAILS by SWAN. If RAILS support (2) is greater than RAILS expenses (3), the difference will be paid to SWAN by RAILS. This figure may be subject to adjustment based on the terms outlined in Appendix C of the Intergovernmental Agreement.

Amount paid to SWAN by RAILS: $349,142.91