August 15, 2023

Sabrena Harris Chief Financial Officer Lancaster County Government 101 N. Main Street Lancaster, SC 29720

Dear Ms. Harris,

It has come to my attention that there may be a misunderstanding on administration of State Aid funds which are allocated to the Lancaster County Library System. State Aid funding is not considered a revenue of the County and should not be used by the County in any way – these are pass through funds, directed to the County Library System and cannot be used or held by local government.

The General Assembly appropriates State Aid funding to assist public libraries in providing service to South Carolina citizens. The legislation governing State Aid is very clear. State Aid funding is not guaranteed and cannot be relied on in lieu of local library support as stated in the South Carolina Code Section 60-1-90:

SECTION 60-1-90. Administration of state and federal grants to public libraries; eligibility for grants.

Any public library which accepts state and federal grants administered by the South Carolina State Library <u>may not use the grants to replace local funding for the library</u>. In order to qualify for grants, <u>libraries shall meet maintenance of effort requirements</u> set by the State Library Board in accord with state and federal regulations.

Additionally, please see South Carolina Code of Regulations, Chapter 75 sections B, C, and D (4):

- B. State Aid funds may not be used for rent for library buildings, purchase of land, construction or repairs to building operating expenses such as utilities, or janitor supplies.
- C. Local library support shall be not less than the amount actually expended for library operations from local sources in the second preceding year.
- D. Any library receiving State Aid shall be legally established and administered by a legally appointed Board and shall:
- (4) Adopt an annual budget with balanced proportions among personnel (65% 70%), information resources (15% 20%), and maintenance (10% 20%).

State Aid is not part of the local budget; it must be treated as a separate fund from the local budget for accounting and tracking purpose. It is important that the library account for exactly what was purchased using State Aid funding specifically.

The structure of the current budget received by the Lancaster County Library makes it impossible to differentiate between what was purchased with State Aid funding and local funding. This comingling of funds is problematic for both the County and the Library and makes it impossible for the library to comply with South Carolina Code of Regulations, Chapter 75, Section D (4) related to adopting a balanced annual budget. It is my strong suggestion that Lancaster County Government designate a separate account specifically for State Aid so that the Library may track State Aid expenses accurately and report to the General Assembly if requested.

Additionally, I understand there is a misunderstanding regarding the amount of funds the Lancaster County Library System is receiving for State Aid. The per capita amount for State Aid funding for FY25 has been increased from \$2.25 per capita to \$2.50 per capita. In the previous fiscal year, FY24, Lancaster County Library was allocated a total of \$216,250.28 in State Aid funding, all of which must be passed on directly to the Library. This year, FY25, Lancaster County Library will be receiving \$240,975.00 in State Aid funding, which also must be passed on directly to the Library, without a reduction in local funding as set by the South Carolina Code of Law referred to previously.

You may be interested to know in FY23, the Lancaster County Library System circulated 241,745 items and had 166,308 visits to the library. Over half of the people in Lancaster County are library card holders and utilized the public internet almost 20,000 times to do school work, look for jobs, run their small businesses, access telehealth, and access resources for education and entertainment. These are impressive numbers for a county the size of Lancaster. I am sure we can both agree that the Lancaster County Library System serves the community well and funding is imperative for them to continue to do so.

If you should have any questions or I can be of assistance, please don't hesitate to contact me at (803)734-8668.

Sincerely,

Leesa M. Aiken Agency Director

South Carolina State Library

cc: Dr. April Williams, Director, Lancaster County Library System Dennis E. Marstall, Lancaster County Administrator George Kirlin, Board Chair, Lancaster County Library System SCSL File

FY25 State Aid Pay-Out						
		State Aid \$2.50 per capita \$150,000 Minimm Plus \$935 for Counties Above				
County	2020 Census #s	Minimum	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
Abbeville County	24,295	\$150,000.00	\$37,500.00	\$37,500.00	\$37,500.00	\$37,500.00
Aiken County	168,808	\$422,955.00	\$105,738.75	\$105,738.75	\$105,738.75	\$105,738.75
Allendale County	8,039	\$150,000.00	\$37,500.00	\$37,500.00	\$37,500.00	\$37,500.00
Anderson County	203,718	\$510,230.00	\$127,557.50		\$127,557.50	\$127,557.50
Bamberg County	13,311	\$150,000.00	\$37,500.00	\$37,500.00	\$37,500.00	\$37,500.00
Barnwell County	20,589	\$150,000.00	\$37,500.00	\$37,500.00	\$37,500.00	\$37,500.00
Beaufort County	187,117	\$468,727.50	\$117,181.88	\$117,181.88	\$117,181.88	\$117,181.88
Berkeley County	229,861	\$575,587.50	\$143,896.88	\$143,896.88	\$143,896.88	\$143,896.88
Calhoun County	14,119	\$150,000.00	\$37,500.00	\$37,500.00	\$37,500.00	\$37,500.00
Charleston County	408,235	\$1,021,522.50	\$255,380.63	\$255,380.63	\$255,380.63	\$255,380.63
Cherokee County	56,216	\$150,000.00	\$37,500.00	\$37,500.00	\$37,500.00	\$37,500.00
Chester County	32,294	\$150,000.00	\$37,500.00	\$37,500.00	\$37,500.00	\$37,500.00
Chesterfield County	43,279	\$150,000.00	\$37,500.00	\$37,500.00	\$37,500.00	\$37,500.00
Clarendon County	31,144	\$150,000.00	\$37,500.00	\$37,500.00	\$37,500.00	\$37,500.00
Colleton County	38,604	\$150,000.00	\$37,500.00	\$37,500.00	\$37,500.00	\$37,500.00
Darlington County	62,905	\$158,197.50	\$39,549.38	\$39,549.38	\$39,549.38	\$39,549.38
Dillon County	28.292	\$150,000.00	\$37,500,00	\$37,500.00	\$37,500.00	\$37,500.00
Dorchester County	161,540	\$404,785.00	\$101,196.25	\$101,196.25	\$101,196.25	\$101,196.25
Edgefield County	25.657	\$150,000.00	\$37,500.00	\$37,500.00	\$37,500.00	\$37,500.00
Fairfield County	20,948	\$150,000.00	\$37,500.00	\$37,500.00	\$37,500.00	\$37,500.00
Florence County	137,059	\$343,582.50	\$85,895.63	\$85,895.63	\$85,895.63	\$85,895.63
Georgetown County	63,404	\$159,445.00	\$39,861.25	\$39,861.25	\$39,861.25	\$39,861.25
Greenville County	525,534	\$1,314,770.00	\$328,692.50	\$328,692.50	\$328,692.50	\$328,692.50
Greenwood County	69.351	\$174,312.50	\$43,578.13	\$43,578.13	\$43,578.13	\$43,578.13
Hampton County	18,561	\$150,000.00	\$37,500.00	\$37,500.00	\$37,500.00	\$37,500.00
Horry County	351.029	\$878,507,50	\$219,626.88	\$219,626,88	\$219,626.88	\$219,626.88
Jasper County	28,791	\$150,000.00	\$37,500.00	\$37,500.00	\$37,500.00	\$37,500.00
Kershaw County	65.403	\$164,442.50	\$41.110.63	\$41,110.63	\$41,110.63	\$41.110.63
Lancaster County	96,016	\$240,975.00	\$60,243.75	\$60,243.75	\$60,243.75	\$60,243.75
Laurens County	67,539	\$169,782.50	\$42,445.63	\$42,445.63	\$42,445.63	\$42,445.63
Lee County	16.531	\$150,000.00	\$37,500.00	\$37,500.00	\$37,500.00	\$37,500.00
Lexington County	293.991	\$735,912.50	\$183,978.13	\$183,978.13	\$183,978.13	\$183.978.13
Marion County	293,991	\$150,000.00	\$37,500.00	\$37,500.00	\$37,500.00	\$37,500.00
Mariboro County	26,667	\$150,000.00	\$37,500.00	\$37,500.00	\$37,500.00	\$37,500.00
McCormick County	9,526	\$150,000.00	\$37,500.00	\$37,500.00	\$37,500.00	\$37,500.00
Newberry County	37,719	\$150,000.00	\$37,500.00	\$37,500.00	\$37,500.00	\$37,500.00
Oconee County	78.607	\$150,000.00				
Orangeburg County	84.223		\$49,363.13 \$52.873.13	\$49,363.13	\$49,363.13	\$49,363.13
Pickens County		\$211,492.50		\$52,873.13	\$52,873.13	\$52,873.13
Richland County	131,404	\$329,445.00	\$82,361.25	\$82,361.25	\$82,361.25	\$82,361.25
Saluda County	416,147	\$1,041,302.50	\$260,325.63	\$260,325.63	\$260,325.63	\$260,325.63
Spartanburg County	18,862	\$150,000.00	\$37,500.00	\$37,500.00	\$37,500.00	\$37,500.00
Sumter County	327,997	\$820,927.50	\$205,231.88	\$205,231.88	\$205,231.88	\$205,231.88
	105,556	\$264,825.00	\$66,206.25	\$66,206.25	\$66,206.25	\$66,206.25
Union County	27,244	\$150,000.00	\$37,500.00	\$37,500.00	\$37,500.00	\$37,500.00
Williamsburg County	31,026	\$150,000.00	\$37,500.00	\$37,500.00	\$37,500.00	\$37,500.00
York County	282,090	\$706,160.00				\$176,540.00
State Total	5118431	\$14,765,340.00	\$3,691,335.07	\$3,691,335.07	\$3,691,335.07	\$3,691,335.07

Allocated by Legislature

\$14,765,340.00