

NLS Executive Committee Meeting
May 28, 2020
1:00 P.M.

Join Zoom Meeting

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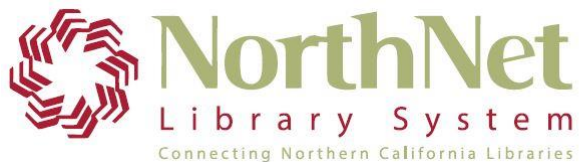
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|---|--------------|----------------------|
| 1. Welcome and Roll Call | Deck, Chair | |
| 2. Public Invited to Comment | Deck | |
| 3. Approval of Consent Calendar (Action Item) | | |
| A. Adoption of Agenda (Action Item) | Deck | |
| B. Approve Minutes of April 28, 2020 (Action Item) | Brinkley | Attachment 1 pg. 3 |
| C. Correspondence: CARES Letter from NLS to State Librarian | Deck | Attachment 2 pg. 8 |
| 4. New Business | | |
| A. Review NLS LSTA Grant “Preparing to Respond & Recover Together” | Olawski/Deck | Attachment 3 pg. 9 |
| B. Accept CSL Agreement with NLS as Administrator for 2020/21 Zip Books Grant (Action Item) | Brinkley | Attachment 4 pg. 28 |
| C. Review and Approval of NLS/PLP FY 20/21 Baseline Contract and Additional Work (Action Item) | Frost | Attachment 5 pg. 40 |
| D. CLSA Funds for FY 2020/21 (Action Item) | Frost | Attachment 6 pg. 43 |
| a. OverDrive Rollover Funds | Perry | Attachment 7 pg. 45 |
| b. FY 2020/21 OverDrive Recommendations | Perry | Attachment 8 pg. 50 |
| c. FY 2020/21 RBDigital Recommendations | Perry | Attachment 9 pg. 62 |
| E. Review and Approval of NLS FY 20/21 Draft Budget (Action Item) (to be distributed separately) | Yon | |
| F. Approve NLS FY 2018/19 Financial Audit (Action item) | Yon | Attachment 10 pg. 65 |

Due To The State Of California's Declaration Of Emergency – This Meeting Is Being Held Pursuant To Authorization From Governor Newsom's Executive Order N 29-20

The legislative body of a local agency may use teleconferencing in connection with any meeting or proceeding authorized by law. Cal. Gov't Code §54953(b)(1). A "teleconference" is "a meeting of a legislative body, the members of which are in different locations, connected by electronic means, through either audio or video, or both." Cal. Gov't Code § 54953(b)(4). A local agency may provide the public with additional teleconference locations. Cal. Gov't Code § 54953(b)(4).

The teleconferenced meeting must meet the following requirements:

- (1) it must comply with all of the Act's requirements applicable to other meetings;
- (2) all votes must be taken by roll call;
- (3) the agenda must provide the public with an opportunity to address the legislative body at each teleconference location. Cal. Gov't Code § 54953(b).



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DRAFT MINUTES

NLS Executive Committee Special Meeting

April 28, 2020

1. **Welcome and Roll Call** –Chair, Todd Deck, Tehama County Library, called the meeting to order at 4:01 p.m. Also present were NLS Executive Committee members Rita Lovell, Alpine County Library, Mel Lightbody, Butte County Library, Suzanne Olawski, Solano County Library, Mark Fink, Yolo County Library, Lori Easterwood, Folsom Public Library, Jody Meza, Willows/Orland Public Libraries, Lindsay Fuchs, Plumas County Library, Christopher Veach, Lake County Library. Also attending, Michael Perry, Siskiyou County, Carol Frost, Pacific Library Partnership and Jacquie Brinkley, NLS/Pacific Library Partnership.
2. **Public Invited to Comment** - No Public in attendance.
3. **Motion to adopt Agenda**
Fink moved, Fuchs seconded. Motion carried.
4. **Motion to approve Minutes of November 19, 2019.**
Olawski moved; Easterwood seconded. Motion carried.
5. **New Business**
 - A. Deck requested discussion and Executive Committee recommendation regarding priorities for NLS of CARES Act funding. Deck suggested that NLS draft and submit a letter to the State Librarian outlining priorities for NorthNet member libraries to reflect the under-resourced and under-represented communities within much of the NLS service population.

Fink asked about the logistics to request funding and if any criteria for allocation had been identified by the State Library.

Frost reported that no information had yet been provided by the State Library and there was no consistent pattern of past fund distribution. Allocations could be by CLSA Systems, or by specific initiative. Frost referenced the memo from the State Librarian, Attachment 2, and pointed out that he had not differentiated on eligibility between individual libraries, cooperative systems, or consortia. The focus of the memo is to reach under-represented and under-resourced communities.

Olawski asked if any specific requests had come from the Rural & Small Library Networking Meeting.

Deck reported that many requested HotSpots, but others were concerned about on-going maintenance costs of these types of resources.

Fink suggested the OverDrive eBook selection for schools (SORA) and asked if funding would be available for libraries to purchase eBook content to support students. He asked if public libraries want to offer school eBook content on their OverDrive platform.

Olawski reported that Solano County has begun this project with their OverDrive account. This partnership with schools and providing academic support to students would be a strong recommendation.

Deck was in favor of this recommendation.

Fink asked if the school district had their own OverDrive student account (SORA), would they also have access to the library's OverDrive content? Funding could be secured for libraries to purchase eBook content specific to school curriculum. He suggested working with OverDrive to coordinate content to support school curriculum.

Easterwood reported that Folsom is reaching out to teachers to ask how the library content can support their students. This outreach could be scalable for larger or smaller libraries.

Brinkley read email from Lake County (Veach had yet to join the meeting) regarding funding request – Lake County is interested in delivery of materials by mail to the homebound. Lake County has a large population of senior citizens who are being encouraged to shelter in place indefinitely. Lake County also has low high-speed internet availability and adoption. Veach expressed interest in hearing from any counties how have that kind of program (homebound delivery by mail).

Olawski commented that her concern was the long-term support of whatever is recommended at this time. She noted that while the majority of NLS members could benefit from the OverDrive/SORA purchase, is that a model that could be sustained.

Fink stated that Yolo County has a homebound mail service (currently suspended during COVID-19) but that he would send program information to Brinkley for sharing with Lake County.

Lightbody recommended that NLS submit one request to the State Librarian to be a stronger message on behalf of all NLS members, versus individual libraries submitting letters.

Deck concurred and stated that while all NLS members might not have ability to participate in recommended initiative (i.e. SORA), these resources would benefit many NLS members.

Fink recommended additional funding for Zip Books.

Perry requested an immediate focus on cleaning and disinfectant supplies. He suggested that a reimbursement to the vendor from the State Library would be helpful. The lack of supplies and ability to disinfect materials and facilities may prohibit his library and possibly others from reopening. Perry also recommended that the State Library expand the Zip Books program as it has low overhead and an existing structure to scale up.

Lovell agreed that both Zip Books and OverDrive would be priorities for NLS and all libraries.

Veach reported that Lake County is about to run out of their Zip Books funding for the first time in their history of participating in this project. He noted that Zip Books is more costly than sending out books they already own.

Deck suggested that NLS libraries follow-up with Lake County to discuss their mail to home (for homebound) options and explore long-term costs.

Lightbody reported that Butte County has a high percentage of high risk/older adults who will continue to shelter in place after others are released. Lightbody supports Zip Books and OverDrive to reach and serve this population.

Frost noted that the State Library did not specify dollar amounts or how funds would be allocated, but seemed to encourage libraries and systems to “pitch ideas” as to how CARES Act funds could be most effective. She suggested the NLS could ask for additional Zip Books funding statewide as it has a good reach for all participants. She continued to say that Juvenile (“J”) collections with OverDrive and partnerships with schools to get them to sign up with OverDrive would also have a broad reach.

Fuchs noted that she was concerned about the capacity to initiate new partnerships with schools and asked if NLS could create a consortia purchase with OverDrive for SORA resources.

Fink recommended that NLS submit a specific ask to the State Library on behalf of all members.

Deck made a motion that NLS submit a letter to the State Librarian recommending that with CARES Act funding, NLS supports increased funding to the Zip Books project and funding to support libraries purchase of OverDrive content with the intent to support school curriculum.

Fink moved; Lovell seconded. Motion carried.

B. Frost reviewed the memo from the State Librarian regarding the possible elimination of CLSA funds to systems in FY 20/21 due to the state budget crisis. Frost continued with a review of the NLS budget and potential impact with no CLSA funding. Frost suggested that NLS might consider pausing OverDrive purchases at this time until the Governor’s budget revision of May 14. The status of CLSA funding would be known at that time.

Deck noted that the next NLS Executive Committee is May 28, and that the PLP fiscal staff would have the NLS budget revised, if needed, at that time for review.

Fink asked to clarify that a pause in OverDrive spending would be just until we know the state of the Budget and CLSA funding.

Olawski confirmed that this would be a temporary freeze until the Governor’s revised budget is released and what impact that may have on NLS. OverDrive would be revisited at the next Executive Committee meeting (May 28) and members can determine at that time how to move forward for FY 20/21.

Frost suggest the Executive Committee may consider giving Deck the authority with Perry to adjust, resume, and/or reduce OverDrive spending at this time.

Perry reported that the next OverDrive Committee meeting is May 5. He will draft an OverDrive budget with potential of \$0 budget in FY 20/21 and also include impact to libraries who redirected their FY 2019/2020 CLSA funds to OverDrive.

It was noted that it would be good to convey the conflicting priorities of resources from the State Library – the potential elimination of CLSA funding (State funds) while emergency funds (CARES) are offered to encourage purchases.

Fuchs asked if Zinio funding could be reduced and shift to OverDrive content, as her library gets greater benefit from OverDrive than Zinio.

Perry reported that there was no renewal information on Zinio yet available.

Motion to authorize Deck to work with Perry in reviewing and suspending OverDrive purchases until the next Executive Committee meeting of May 28, 2020, where OverDrive will be reviewed in the context of an updated FY 20/21 NLS budget.

Lightbody moved; Lovell seconded. Motion carried.

C. Perry requested that the Executive Committee broaden the definition for NLS Staff Training Funds to support video conferencing and training. Perry noted that he has formerly used Staff Training to cover travel costs to send staff or self to conferences, but in the current pandemic and for the future, expanding the definition of how these funds can be used would be beneficial to a greater number of staff.

Frost clarified that the funds for Staff Training are generated from NLS member dues and are not subject to CLSA guidelines.

Deck said that he supported expanding the training definition to include video or Zoom conferencing costs, as travel in the future will likely be limited. He asked if the funds would include the camera equipment that might be required to fully access video or Zoom features.

Motion to allocate to NLS members up to \$1,000 per year from NLS Member Dues for staff development or to acquire the software or equipment to support online training.

Olawski moved; Easterwood seconded. Motion carried.

D. Olwaski reviewed the slate of nominees for the FY 20/21 Executive Committee and reported that the nominating committee, in seeking of nominations, attempted to represent equity across the legacy systems.

Motion to accept slate of nominations – with correction to Mark Fink terming out as Executive Member.

Lovell moved; Meza seconded. Motion carried.

Olwaski thanked Deck for his service as Chair of NLS for past 2 years.

Lightbody thanked all for offering to serve in system leadership and announced her retirement as of September 17, 2020.

Meeting Adjourned at 5:05 p.m.

May 8, 2020

Greg Lucas, California State Librarian
Library-Courts Building
P.O. Box 942837
Sacramento, CA 94237-0001

RE: CARES Act Funding for Libraries

Dear Mr. Lucas,

I am writing on behalf of the NorthNet Library System as the Chair. In late April, the NorthNet Executive Committee met to discuss CARES Act funding opportunities. During this conversation we identified two key priorities for your consideration:

- Increased funding to Zip Books, and
- Funding to systems to purchase additional OverDrive content in support of students.

The Executive Committee identified Zip Books as a high priority for the following reasons:

- High-risk populations of older adults will remain sheltered for an indefinite period of time.
- ZipBooks has been incredibly impactful during library closures and will ensure continued access for those that cannot visit our physical locations as we phase reopening our libraries.
- This is a program that has a proven track record of working and we trust will continue to be very useful to library staff and our communities.

The Executive Committee also felt that funding to support digital content is now more important than ever. Our intent is that with additional funding libraries can either purchase content to support schools or partner with schools through SORA, a reading app for students offered by OverDrive.

NorthNet represents the interests of a diverse range of libraries, many of them rural. The NorthNet Executive Committee factored in many different points of view in helping us determine these suggestions. In these uncertain times of COVID-19, we would like to thank the California State Library for its support and leadership.

Thank you.



Todd Deck, Chair
NorthNet Library System

cc Rebecca Wendt and NLS Executive Committee

Library/Organization	NorthNet Library System
Project Title	Preparing to Respond and Recover Together

ITEMS 1-19. COMPLETED ON THE ONLINE APPLICATION SYSTEM SUBMITTABLE

ITEM 20. PROJECT BACKGROUND AND SUMMARY

Describe how this project was identified as a need (include supporting data and statistical information), how it relates to your library's strategic plan or other local planning documents, what will be accomplished if this project is implemented, and how you will know whether your project is successful. Your summary should relate to activities in the timeline (Item 23). Please limit word response to one page.

The NorthNet Library System has experienced several major disasters in recent years, including devastating wildfires and the disruption caused by COVID-19. While many resources exist to help agencies and organizations prepare for disasters, very few have addressed the unique needs of libraries. *Preparing to Respond and Recover Together* will further improve libraries' ability to respond to a variety of disasters, including situations of violence, and to support community recovery in the days, weeks and months that follow. The project will build on NorthNet's current LSTA-funded project, [Recovering Together](#), which is increasing access to preparedness and recovery resources and sharing the learning of NLS libraries who have recently experienced disasters. Based on input from NLS members, the current project is providing:

- Disaster planning and preparation resources
- Stories and examples from NLS libraries
- Sample disaster recovery plans
- Easy-to-use checklists
- [Conversation guides](#) that can be used to engage city/county leaders, library staff and volunteers
- Lists of vetted resources and people to call who can provide support
- Best practices for strengthening community relationships before a disaster
- A disaster preparedness website for sharing resources within NLS and beyond

Interviews with NLS members and an [extensive survey](#) in September 2019, which included 144 responses from library leaders, staff and volunteers, have also identified several additional disaster preparedness needs. In Fiscal Year 20-21 the renamed project, *Preparing to Respond and Recover Together*, will address NLS member needs by:

- Developing "levels of preparedness" that libraries can use for goal setting and progress measurement
- Providing personalized coaching to help libraries use available preparedness tools and enhance their readiness to respond to disasters
- Increasing opportunities for peer-to-peer sharing
- Establishing a regionwide network of support and a "buddy system" to improve coordination and cooperation before a disaster strikes
- Updating existing resources and the project website
- Providing online "roundtables" to address wildfire preparedness and mental health supports for staff

Preparing to Respond and Recover Together will build on current learning within the NLS network, including sharing examples and insights that are emerging during the ongoing response to COVID-19. A disaster preparedness cohort, during the summer of 2020, will help 8-12 library teams to develop comprehensive disaster plans ahead of the 2020 fire season. Based on the lived experience of library leaders, these holistic plans will "go beyond the binder," attending to the organizational, fiscal and emotional aspects of preparedness in a way that strengthens community relationships and helps to accelerate recovery. Cohort libraries will take part in three meetings, complete preparedness assignments and receive coaching support from NLS leadership, consultant Common Knowledge, and retired library director Danis Kreimeier, who led Napa County Library through earthquake and wildfire recovery in 2014 and 2017.

The project will also support statewide library disaster preparation through two disaster preparedness roundtables (via Zoom), a CLA conference workshop and improvements to the NLS disaster preparedness website, ensuring that content is section 508 compliant. The roundtables will address two areas of greatest interest, as indicated by the 2019 *Recovering Together* survey: wildfire preparedness and mental health supports for staff, volunteers and patrons following a disaster. Surveys of participating libraries will be used to measure the success of roundtable sessions, as well as the gains of the learning cohort. A successful project will include participants reporting increased readiness to respond to a disaster, feeling more prepared to support recovery efforts and better able to engage their own library communities in planning.

ITEM 21. PARTNERSHIP

Please list all formal partners for your project here. Please attach (under Item 25) a copy of your signed agreement with each partner, which outlines the role the partner will play and the resources the partner will contribute. Attach a separate sheet if necessary.

Partner Name	Organization Type (see instructions for valid entries)	Legal Type (see instructions for valid entries)	Role on Project	Resources That Partner Will Contribute (materials/funds/staff)

Please list informal partners here - organizations that support your project but with whom you have no formal project agreement in place. Describe how their contributions will help achieve the project’s outputs and outcomes. Attach letters of support under Item 25.

- The NLS Recovering Together Core Project Team
- The NLS Executive and Administrative Councils

NLS member libraries will provide vital support by guiding the project, supporting preparedness efforts in their own libraries and encouraging disaster preparation regionwide. Members of the Core Project Team and Executive Council will assist in reviewing materials and help to promote preparedness initiatives. Members of the Administrative Council will provide feedback on project elements and help lead regionwide preparedness efforts.

As they develop plans for disaster response and recovery, libraries participating in the disaster preparedness cohort will also work with a variety of local partners, including schools, volunteers, hospitals, city or county departments, faith groups, and community-based organizations.

ITEM 22: PLANNING AND EVALUATION

Please answer each area concisely and completely. For section A-F limit responses to four pages.

22A. Project Intent *(Check **only one** that best describes the project)*

Lifelong Learning: Improve users' knowledge or abilities beyond basic access to information

- Improve users' formal education
- Improve users' general knowledge and skills

Information Access: Improve access to information

- Improve users' ability to discover information resources
- Improve users' ability to obtain and/or use information resources

Institutional Capacity: Add, improve or update a library function or operation to further its effectiveness

- Improve the library workforce
- Improve the library's physical and technology infrastructure
- Improve library operations

Employment & Economic Development: Improve users' ability to apply information that furthers the status of their jobs and/or businesses

- Improve users' ability to use resources and apply information for employment support
- Improve users' ability to use and apply business resources

Human Services: Improve users' ability to apply information that furthers their personal, family or household circumstances

- Improve users' ability to apply information that furthers their personal, family, or household finances
- Improve users' ability to apply information that furthers their personal or family health & wellness
- Improve users' ability to apply information that furthers their parenting and family skills

Civic engagement

- Improve users' ability to participate in their community
- Improve users' ability to participate in community conversations around topics of concern

22B. Project Purpose – Short statement which answers the questions: we will do what, for whom, for what expected benefit(s).

Preparing to Respond and Recover Together will provide disaster preparedness coaching, mentorship and support to libraries in the NorthNet Library System and statewide. The project will create a culture of preparedness, empower libraries to prepare before another disaster strikes and encourage highly valued peer-to-peer support.

22C. Anticipated Project Outputs – Quantitative measures of services and/or products to be created/provided.

- Regionwide “levels of preparedness” that the NLS network and libraries statewide can use for goal setting and progress measurement
- An NLS “buddy system” that will link libraries, creating a network of connection and support ahead of a disaster
- A regionwide cohort of teams from 8-12 NLS libraries, with 2-3 library staff members or volunteers participating on each team (18-40 participants total); **teams from neighboring networks or CSL may also be invited*
- Cohort libraries will participate in three sessions to be hosted remotely via Zoom and will receive personalized guidance and coaching provided by NLS leadership, peer coaches, guest speakers and consultant Common Knowledge
- Participating teams will complete disaster preparedness “assignments” in between sessions: conducting background research, writing draft plans, strengthening relationships with institutional and community partners, building library culture, and engaging their library communities in planning discussions (using conversation guides created during the current phase of the project)
- Disaster preparedness “assignments” and coaching support will be provided between sessions, enabling participants to finish the cohort with a completed disaster plan
- Additional resources, tools and participant learning, including sample plans, reflections and guidance, will be added to the NLS disaster preparedness website
- Two statewide disaster preparedness roundtables will be hosted via Zoom, focusing on needs identified through interviews with library staff, NLS Core Project Team meetings and the regionwide 2019 Recovering Together survey; roundtables will focus on actions libraries can take to prepare for the 2020 fire season and ways that libraries can aide recovery following a disaster through mental health supports for staff, volunteers and patrons.
- 60-100+ library staff, volunteers and community partners will attend each roundtable

22D. Outcomes- Please select one or more of the outcomes provided by the State Library (see Instructions) that relate to the primary Five Year Plan goal that you selected in Item 17

Goal 3: California libraries inspire, support, and engage in innovation, creativity, connections, and collaborations in their communities.

Goal 7: California libraries are staffed by a skilled and diverse workforce whose member engage in continuing education and leadership development opportunities, deliver high-quality library and information services, and effect positive change in their communities.

Preparing to Respond and Recover Together will improve the ability of libraries to respond to a disaster and to support community recovery in the days and weeks that follow. Libraries participating in the cohort will:

Develop disaster preparedness plans that will enable them to respond safely and efficiently in the event of a disaster, including plans for safety/evacuation, communication, continuity of library operations, community partnerships, and recovery roles.

85 percent of cohort participants will report feeling:

- More prepared to respond to a disaster
- More prepared to provide library services during and after a disaster

- More prepared to engage library staff, volunteers and community members in conversations about disaster preparedness, response and recovery

85 percent of roundtable participants will report feeling:

- More prepared to respond to a disaster, including the unique challenges posed by the 2020 fire season during COVID-19
- More prepared to provide library services during and after a disaster
- More prepared to support the mental health of library staff, volunteers and patrons following a disaster

22E. Briefly describe how this project will be financially supported in the future, should it prove successful.

Improving disaster preparedness is a goal for our entire network, and everyone has a role to play. NLS library directors, staff members and volunteers will continue to advise the project and assist in implementing regionwide disaster preparedness initiatives. In addition to advising the *Preparing to Respond and Recover Together* project, NLS members will also engage in increased preparedness planning through quarterly, bi-yearly and yearly meetings. By making disaster preparedness a regular discussion item, NLS hopes to create a new norm around disaster preparation.

Statewide preparedness roundtables and a session at the CLA conference will also expand the network of support beyond just the NLS region. There is currently no formal statewide support for library disaster preparedness (other than for crisis collection). As one of the regions that is most vulnerable to disasters, NLS would like to work with the California State Library and California Library Association to explore how additional coordination can enhance disaster preparedness statewide. When preparedness is seen as a shared priority, it is more likely to be supported in the future.

22F. Activities. What activities will be used to accomplish your project and achieve your outcomes? Per IMLS, Activities are actions through which the Intent (Item 22A) of a project is accomplished and which account for at least 10% of the total amount of resources committed to the project. IMLS has identified 4 types of Activities and associated Modes (methods by which the Activity is carried out) Select all that apply to your project and provide descriptions for each.

1. **Instruction** - Involves an interaction for knowledge or skill transfer and how learning is delivered or experienced. *(Check all that apply and provide a description including whether the format will be in-person, virtual, or both)*
 - Program - Formal interaction and active user engagement (e.g., a class on computer skills).
 - Presentation - Formal interaction and passive user engagement (e.g., an author’s talk),
 - Consultation - Informal interaction with an individual or group of individuals (library staff or other professional) who provide expert advice or reference services to individuals, units, or organizations.
 - Other

Description: Instruction will be provided through three cohort meetings (via Zoom), which will include presentations, small-group discussions and reflection activities, as well as personalized coaching support and consultation with a library disaster preparedness mentor. Instruction will also be provided through two statewide roundtables (via Zoom), which will feature presentations and guest speakers who will share disaster recovery insights related to wildfire preparedness and mental health supports.

2. **Content** - Involves the acquisition, development, or transfer of information and how information is made accessible. *(Check all that apply and provide a description including whether the format will be physical, digital, or both)*

Acquisition - Selecting, ordering, and receiving materials for library or archival collections by purchase, exchange, or gift, which may include budgeting and negotiating with outside agencies (i.e. publishers, vendors) to obtain resources. May also include procuring software or hardware for the purposes of storing and/or retrieving information or enabling the act of experiencing, manipulating, or otherwise interacting with an information resource.

Creation - Design or production of an information tool or resource (e.g., digital objects, curricula, manuals). Includes digitization or the process of converting data to digital format for processing by a computer.

Description - Apply standardized descriptive information and/or apply such information in a standardized format to items or groups of items in a collection for purposes of intellectual control, organization, and retrieval.

Lending - Provision of a library's resources and collections through the circulation of materials (general circulation, reserves). May also refer to the physical or electronic delivery of documents from a library collection to the residence or place of business of a library user, upon request.

Preservation - Effort that extends the life or use life of a living or non-living collection, the individual items or entities included in a collection, or a structure, building or site by reducing the likelihood or speed of deterioration.

Other

Description: The project team will create tools and resources that will help libraries in disaster preparation, response and recovery. These may include checklists, handouts, flyers, self-assessments and discussion guides. Improvements to the project website will ensure that resources are section 508 compliant and maximally accessible to all.

3. **Planning & Evaluation** - Involves design, development, or assessment of operations, services, or resources and when information is collected, analyzed, and/or disseminated. *(Check all that apply and provide a description including whether the format will be in-house or third-party)*

Retrospective - Research effort that involves historical assessments of the condition of a project, program, service, operation, resource and/or user group.

Prospective - Research effort that projects or forecasts a future condition of a project, program, service, operation, resource, and/or user group.

Description: The project will include a mix of retrospective and prospective elements. Cohort library teams will complete self-assessments and assignments that involve reflecting on past practices, historic disaster experiences, and current library needs. They will also identify the disaster scenarios that their libraries are most likely to face in the future and consider how each scenario will impact library communications, staff and patron safety, continuity of operations (programming, service delivery and staffing), and community partnerships. Surveys of cohort and statewide roundtable participants will assess the relevance of content shared and the degree to which participants feel prepared to respond to a disaster and engage their communities in recovery.

4. **Procurement – May only be used for projects with an Institutional Capacity Intent (see Item 22A).** Includes acquiring or leasing facilities; purchasing equipment/supplies, hardware/software, or other materials (not content) that support general library infrastructure. *(Provide a description)*

Description:

ITEM 23: GRANT TIMELINE/ACTIVITIES

Using this table, please briefly describe your major project activities and when they will occur (the grant period starts July 1, 2019 and ends August 31, 2021).

Activity	Month Started	Month Ended
Hold planning meeting with PRRT Team; Develop “levels of preparedness” rubric that libraries & NLS network can use for goal setting & progress measurement; Plan for Statewide Disaster Round Preparing for Fire Season 2020	July 2020	July 2020
Invite libraries to participate in inaugural Cohort; Select participating libraries; Launch preparedness cohort; Library teams begin pre-work ahead of first meeting; Hold Cohort Meeting #1; Update project website	July 2020	August 2020
Hold Cohort Meeting #2; Hold Disaster Preparedness Roundtable #1 & distribute Outcomes Surveys; Hold final Cohort Meeting #3; Assess library team progress through post-cohort Outcomes Survey; Share an “NLS Prepares: Cohort Update” with NLS and statewide audiences; Update project website; Plan for Statewide Disaster Roundtable #2: Aiding Recovery through Mental Health Supports	September 2020	September 2020
Hold Statewide Disaster Preparedness Roundtable #2 and distribute Outcomes Surveys; Hold a Cohort Gathering where library teams share their preparedness plans and lessons learned; NLS EC and other library systems and CSL are invited to attend	October 2020	October 2020
Common Knowledge consultants gather additional stories & examples from NLS libraries re: experiences with 2020 fire season and continued response to COVID-19; Invite libraries to share experiences & resources via the project website; Update project website	November 2020	December 2020
CK to share updates and facilitate regionwide planning at NLS MidYear Administrative Council Meeting; CK works with NLS library leaders to update list of recovery mentors	January 2021	February 2021
Additional updates to website	February 2021	March 2021
Hold planning meeting with NLS leaders and co-presenters ahead of 2021 California Library Association annual conference (NLS submitted conference proposal Spring 2020); Finalize meeting design, PowerPoint presentation & materials for CLA Conference session	April 2021	May 2021

Co-Lead Disaster Preparedness Session at CLA Annual Conference (May 2021); share tips & lessons learned from NLS libraries; engage statewide library audience in disaster planning	May 2021	May 2021
LSTA MidProject and Final Narrative Reporting; Qtrly Financial Reporting	October 2020	September 2021
Distribute and review Outcomes Surveys on website content for final reporting	June 2021	August 2021

ITEM 24: BUDGET

The budget should clearly identify the amounts requested and from what sources.

Budget Category: Salaries/ Wages/ Benefits	LSTA	Cash Match & In-Kind	Total
Library Directors (18) – Cohort, Roundtables & CLA Panel- .01 FTE	\$0	\$15,750	\$15,750
Library Staff (28)– Cohort Participants .001FTE	\$0	\$10,500	\$10,500
Click or tap here to enter text.	\$0	\$0	\$0
Subtotal	\$0	\$26,250	\$26,250

Description: Cohort Participants will spend estimated 15hrs/participant to meet and develop disaster preparedness plan. Estimated 12 NLS Library Directors x 15 hrs/each @ avg \$75/hr = \$13,500. Estimated 28 Library Staff x 15hrs/each @ avg \$25/hr = \$10,500. Statewide Roundtable Sessions (2) x 3 Directors each x 3 hrs (2 hrs prep + 1 hr presentation) x \$75/hr= \$1,350; CLA Panel Presenters: 3 Directors x 4 hrs each (2 hrs prep/2 hrs present) x \$75/hr = \$900

Budget Category: Consultant Fees	LSTA	Cash Match & In-Kind	Total
NLS Disaster Preparedness Mentor, Danis Kreimeier .03FTE	\$5,550	\$0	\$5,550
		\$0	
Subtotal	\$5,550	\$0	\$5,550

Description:

NLS Disaster Preparedness Mentor will participate in project planning & coordination; Cohort Support – will provide feedback on meeting design; co-facilitate meetings via Zoom; follow-up emails & indicated actions; post-meeting coaching support. Other project support: Help to prepare for statewide Roundtables; help to identify guest speakers and participate in both sessions; Attend and present at NLS MidYear Admin Council Meeting; Help prepare & present at MAY 2021 CLA annual conference; Final debrief meeting with NLS team.

Budget Category: Travel	LSTA	Cash Match & In-Kind	Total
Click or tap here to enter text.	\$0	\$0	\$0
Subtotal			

Description:

Budget Category: Supplies/Materials	LSTA	Cash Match & In-Kind	Total
Click or tap here to enter text.	\$0	\$0	\$0
Subtotal			

Description:

Budget Category: Equipment (\$5,000 or more per unit)	LSTA	Cash Match & In-Kind	Total
Click or tap here to enter text.		\$0	
Subtotal			

Description:

Budget Category: Services	LSTA	Cash Match & In-Kind	Total
Zoom Business Plan- Annual Subscription	\$240	\$0	\$240
Golden Ideas Website Hosting	\$1,010	\$0	\$1,010
Common Knowledge Consulting Team	\$74,520	\$0	\$74,520
NLS System Coordinator, Jacquie Brinkley .03FTE	\$5,000	\$0	\$5,000
Subtotal	\$80,770	\$0	\$80,770

Description: Common Knowledge Consulting Team will provide the following: Coordinate Project Team planning meeting; Draft Cohort Training application, announcements & invitations; Assist in cohort selection; develop & distribute pre-work materials ahead of Meeting #1; For each of 3 Cohort Meetings & Final Gathering, will design meeting; coordinate with NLS preparedness mentor & guest speakers; Develop PPT, meeting materials & post-meeting; facilitate meetings via Zoom; Follow-up emails & indicated actions; Post meeting coaching support. Will develop & conduct post-cohort survey; share cohort update with NLS and statewide audiences; Final debriefing with NLS team. Roundtable Planning & Coordination: For each of 2 Statewide Roundtables (#1 Fire Season, #2 Mental Health Supports) will: Design meeting; Coordinate with presenters and NLS Team; Develop PowerPoint & meeting materials; Facilitate meetings via Zoom; Follow-up emails & posts with meeting materials; Develop, send & analyze post-meeting feedback survey. CLA Session: Will co-design workshop session; coordinate with presenters and NLS Team; Develop PowerPoint and session materials; Prep & co-facilitate session at CLA; Follow-up emails sharing meeting materials, coordinating with statewide partners. Other services & activities to include: Gathering of additional stories and examples from NLS libraries, share experiences with 2020 fire season; Share updates & facilitate regionwide planning at NLS MidYear Admin Council Meeting; Update project website and downloadable materials to ensure Section 508 compliance. Consulting Fees = \$73,020 + Travel, not to exceed \$1,500, Total Common Knowledge = \$74,520.

NLS System Coordinator will participate on overall project planning & coordination. Cohort Support: will provide feedback on meeting designs; attend meetings via Zoom; follow-up emails & indicated actions; post-meeting coaching support. Other project support: Help prepare for two statewide Roundtables; help suggest guest speakers & participate

in both meetings; Attend NLS MidYear Admin Council meeting; Help prepare & present at MAY 2021 CLA annual conference; Final debrief meeting with NLS team.

Zoom online conferencing subscription to host Cohort Meetings (3), Cohort Celebration, Statewide Roundtable Sessions (2); PRRT Team meetings; Interviews; Preparation sessions for Roundtables and CLA conference.

Golden Ideas will continue to develop & manage online platform to host all project content on NLS website under guidance of Common Knowledge Consulting Team and NLS System Coordinator.

		Project Total	\$86,320	\$26,250	\$112,570
Indirect Cost Rate Applied	10.0 %	Indirect Cost	\$3,680	\$0	\$3,680

Check one:

- No Indirect
 Federally negotiated indirect cost rate *
 Indirect proposed cost rate *

* please attach supporting documentation if required

<p>Description: Common Knowledge Contract = \$74,520. Max Indirect = \$25,000</p> <p>Indirect calculated on Total Modified Direct Cost = \$36,800 (\$25K + \$5,550 + \$6,250)</p> <p>10% Indirect Cost = \$3,680</p> <p>Total w/allowable Indirect = \$40,480</p> <p>Portion of contract with no Indirect = \$49,520</p> <p>Total LSTA = \$90,000</p>

		Grand Total	\$90,000	\$26,250	\$116,250
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ITEM 25: LSTA RISK ASSESSMENT

ITEM 26: ATTACHMENTS

If you have additional resources that support your grant, please attach after this page.

ITEM 27: CERTIFICATION AND SIGNATURE

Library/Organization	NorthNet Library System
Project Title	Preparing to Respond and Recover Together

Check the Appropriate Library Type

Public Library
 Academic
 K-12
 Multi-Type
 Special/Other

LIBRARY DIRECTOR SIGNATURE

I have read and support this LSTA Grant Application.

Library/Organization	NorthNet Library System
Project Name	Preparing to Respond and Recover Together
Library Director Name	Carol Frost
Title	Chief Executive Officer
Email Address	Frost@plpinfo.org
Phone Number	650-349-5538
Library Director Mailing Address <i>(if different than applicant information)</i>	
City, State, Zip	Click or tap here to enter text.

Carol Frost

May 18, 2020

Library Director Signature

Date

Overview of Common Knowledge Projects and Practices

Summary for NorthNet Library System May 2020

Common Knowledge is a nationally recognized consultancy in nonpartisan civic, community and employee engagement with over 25 years of work with libraries and local governments. Susan Stuart Clark founded Common Knowledge (www.ckgroup.org) with the mission of exploring and demonstrating more inclusive and innovative approaches to helping communities learn together and lead together for collective wellbeing. The California State Library, regional library networks and CLLS programs have been highly valued partners in this work.

In addition to libraries, Common Knowledge works across the state of California with local and regional government agencies, foundations, non-profits as well as businesses and multi-sector collaboratives. The Common Knowledge team has a particular expertise in connecting with diverse audiences and facilitating sustained relationships in service of defining and achieving shared goals. Through an intentional series of action research projects across a wide range of sectors and topics, Common Knowledge has developed a discovery process that draws forth “new” energy and resources hidden in plain sight in our organizations and communities.

Project highlights relevant to the NLS Recovering Together LSTA Proposal

These Common Knowledge projects have supported libraries and allied public agencies in California:

- The Recovering Together initiative, sharing insights and resources for library-based disaster preparedness, response and recovery through a new website developed with NorthNet Library System members
- The Libraries Lead the Way Community Engagement Skills and Facilitation Training program (11 NorthNet and PLP library teams)
- Design and development of a News Literacy toolkit (online and print) for PLP libraries based on research with patrons, journalists, PLP members and a working group of librarians
- A statewide analysis of Family Literacy practices commissioned by the CSL to provide strategy and structure for roll out of new funding
- Convening and strategic plan development support for CSL Rural libraries
- Statewide survey of facilitation skills for CSL that led to two webinars and training at CLA
- The development of the New Resume project with Berkeley READS and Solano County Library
- The Key to Community Project developed and refined with statewide CLLS (adult literacy) programs; it was shown to double voter turnout and generated the Easy Voter Guide which continues to this day (with CK working with local libraries each election cycle).
- The Home for All Community Engagement program serving ten communities in San Mateo County that includes partnerships with local libraries
- Best Practices for Outreach to Latinos, Seniors and Low Income residents – prepared for Sonoma County Department of Health Services and was adopted countywide
- Dialogues on “What’s Next Marin?” (Housing, Transportation and Growth), with Marin County Library as partner
- Adult Learner Leadership Institute (ALLI) training and videos about community and school engagement
- Project Money; SF Project Read and SFPL –sponsored financial literacy project
- Multiple conference presentations and webinars on skill building in community engagement and dialogue for the National Coalition for Dialogue and Deliberation, now working in partnership with A.L.A. on the Libraries Transforming Communities initiative

Common Knowledge Principals on *Preparing to Respond and Recover Together* NLS Proposal

Susan Stuart Clark

Susan is the Founder and Director of Common Knowledge. She formed Common Knowledge to pioneer “community-driven design”, demonstrating that inclusion of diverse stakeholders stimulates innovative solutions on issues such housing, health care, civic participation and overall community well-being. Susan has over 25 years of experience with culturally competent communications and engagement programs, helping draw out the best talents of a wide variety of public agencies, counties, cities and libraries. Common Knowledge is known for its deep listening and research and coaching skills, helping teams and networks find new ways of learning and working together so that communities can thrive.

Susan’s original marketing and communications experience includes serving as Vice President of Planning and New Products at Del Monte Foods and as a Brand Manager at Procter & Gamble. Her career shifted after becoming a library-based literacy tutor and she collaborated on the Key to Community project and the launch of the Easy Voter Guide. Susan has received statewide recognition by the California State Library as a “Champion of Literacy.” Her expertise in civic and community engagement has been developed as an Associate of the Kettering Foundation, as director of the annual Public Policy Institute at U.C. Davis Extension, plus extended assignments with California Forward, the California State Library and the Institute for Local Government. Susan has been a board member of the National Coalition for Dialogue & Deliberation, the California Voter Foundation, E3: Education, Excellence & Equity and has served as an adviser to Code for America, Voter’s Edge and other civic organizations.

William Cooley

William is the Director of Civic Programs at Common Knowledge and an experienced journalist, researcher, educator and counselor. He is a native of Sonoma, CA, and started his career reporting on the Sonoma and Napa Valleys. His wife lost her childhood home during the 2017 Nuns Fire in Glen Ellen, giving him a personal connection to the issue of recovery in the NLS region. Since joining Common Knowledge in 2016, William has supported a wide range of government and nonprofit clients with community engagement and strategic communications. William has helped lead multiple library-based programs, including Recovering Together, a regionwide disaster preparedness initiative, and Libraries Lead the Way, a community engagement and facilitation skills training. As principal designer of the Easy Voter Guide, a partnership between Common Knowledge and the League of Women Voters, William also helps make complex statewide policy proposals accessible to the broader community.

William began his career as a journalist, working for several community newspapers and the Center for Investigative Reporting, where he helped edit investigations into seismic safety, health policy and preferential treatment in the awarding of government contracts. William joined Teach for America in 2010, earning teacher of the year honors for the relationships he built with students and stakeholders. As a counselor, William was also trained in psychological first aid, trauma-informed care and the impact of adverse childhood experiences. This background makes him particularly sensitive to issues of culture, inclusion, accessibility and group wellbeing

FY 20/21 LSTA Application

NorthNet Library System: Preparing to Respond and Recover Together

Consultant Fees - Disaster Preparedness Mentor

Danis Kreimeier, recently retired Director of Library Services and Community Outreach of the Napa County Library, is a strong advocate for libraries, literacy, and equal access. During her tenure at the Napa County Library, Napa County experienced a 6.0 earthquake that devastated historical buildings and County infrastructure, a massive evacuation from a neighboring county into a town of 5,000, the Tubbs fire in 2017 which at the time was the most destructive fire in California history and the recent series of Public Safety Power Shutoffs, PSPS. Using this background, Danis has a unique perspective on the role the library can take to strengthen community connections during times of crisis.

Role on this project:

NLS Disaster Preparedness Mentor will participate in project planning & coordination; Cohort Support – will provide feedback on meeting design; co-facilitate meetings via Zoom; follow-up emails & indicated actions; post-meeting coaching support. Other project support: Help to prepare for statewide Roundtables; help to identify guest speakers and participate in both sessions; Attend and present at NLS MidYear Admin Council Meeting; Help prepare & present at MAY 2021 CLA annual conference; Final debrief meeting with NLS team.

FY 20/21 LSTA Application

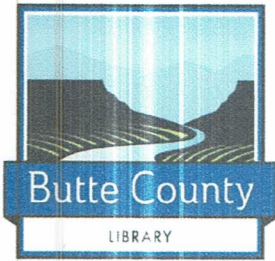
NorthNet Library System: Preparing to Respond and Recover Together

Contract Services – NLS System Coordinator, Jacquie Brinkley

Jacquie Brinkley has been the System Coordinator for the NorthNet Library System since July 2015. System Coordinator responsibilities include: Provide support to 41 NLS member libraries through effective and timely communications; prepare Plan of Service and Annual Reports as required by California Library Services Act (CLSA); coordinate Council of Librarians and Executive Committee meetings and maintain regular communications with NLS Chair and Executive Committee; prepare and distribute Council and Executive Committee agenda packets and minutes; coordinate with PLP to research and administer new projects; work with PLP fiscal and administrative staff on all operations supporting NLS activities; work with system members on delivery schedules and other system services; Distribute legislative, CLSA and other relevant correspondence; work with NLS members to identify grant opportunities, new services and programming opportunities; support special projects and activities as deemed by NLS Council; and, with PLP Executive Director, represent and advocate for NLS programs and service needs.

Role on this project:

NLS System Coordinator will participate on overall project planning & coordination. Cohort Support: will provide feedback on meeting designs; attend meetings via Zoom; follow-up emails & indicated actions; post-meeting coaching support. Other project support: Help prepare for two statewide Roundtables; help suggest guest speakers & participate in both meetings; Attend NLS MidYear Admin Council meeting; Help prepare & present at MAY 2021 CLA annual conference; Final debrief meeting with NLS team



Butte County Library

Melanie Lightbody, County Librarian

1820 Mitchell Avenue
Oroville, California 95966

T: 530.552.5652
F: 530.538.7235

buttecounty.net/bclibrary

Library Branches

Biggs | Chico | Durham | Gridley | Oroville | Paradise

May 18, 2020

Greg Lucas
State Librarian

RE: Support for renewal NLS Recovering together, 2nd year

Greg,

as always thank you and your staff for everything you are doing to assist libraries during this time. I know with this newest budget slash the State Library, as always, is hurting just as much as the rest of us.

I'm writing to support the second year of the Recovering Together grant. The reasons why are many but here are two of the keys:

- 1) During the first year, it was a very valuable time to connect with other libraries and librarians who have experienced catastrophes and to put together best practices/resources. I personally learned much through the experience of systematically reviewing the actions and inactions of my own library system.
- 2) Now libraries are facing the double whammy of a slow-rolling catastrophe which will lead into a medium-term new normal and a sadly common budget retraction. I believe that there are new insights to be had, especially since all CA libraries are experiencing similar issues. This will broaden the mission of Recovering Together and make it an even more valuable resource.

The work is not done. In some sense it will never be done but the collective wisdom and experience gathered, sorted and presented through the Recovering Together website and reports can be a bedrock resource for any CA library facing disaster from here on out.

Thank you for your consideration,

Melanie Lightbody

County Librarian (until 9/17/2020)



SISKIYOU COUNTY LIBRARY

719 Fourth Street
Yreka, California 96097
(530) 842-8805 FAX: (530) 842-7001

MICHAEL PERRY, COUNTY LIBRARIAN
mperry@co.siskiyou.ca.us

May 15, 2020

Re: Preparing to Respond and Recover Together - Recovering Together (Year 2) Grant support

To whom it may concern:

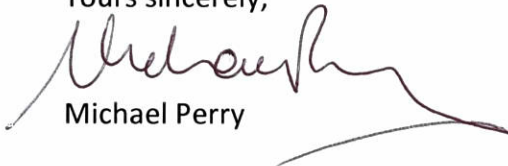
I write to offer my support to the NorthNet Library System's grant proposal to extend its "Recovering Together" LSTA grant into a second year.

As a library system that lost a branch due to a wildfire, I know the outcomes for this Year 2 proposal will be extremely useful for smaller, rural libraries. This grant will assist rural libraries to create a disaster and recovery plan and to develop a peer-network of support – resources that are key for any library to improve its response to a disaster.

Moreover, as we enter this phase where libraries will be operating under the threat of a coronavirus outbreak for the foreseeable future, this grant will set the roadmap for libraries to create a plan that has the capacity to be tailored to conditions in their local community, while simultaneously supporting the state's response to a health crisis.

This grant is timely and important and will bring tremendous value to the libraries, and communities, in our NorthNet service area.

Yours sincerely,

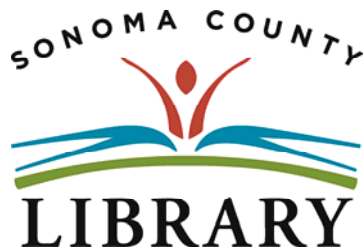


Michael Perry

Ann Hammond

Library Director

ahammond@sonomalibrary.org
6135 State Farm Drive
Rohnert Park, CA 94928
(707) 545-0831 x1537



LIBRARY COMMISSION

Reece Foxen - <i>Chair</i>	Barbara Mackenzie
Deborah Doyle - <i>Vice-Chair</i>	Paul Heavenridge
David Cahill	Randall Neff
Andy Elkind	Karen Schneider
Thomas Haeuser	Stephen Zollman

May 15, 2020

California State Library
State Librarian Greg Lucas
900 N Street
Sacramento, CA 95814-4869

Dear Mr. Lucas,

I'd like to offer Sonoma County Library's support for the NorthNet System's proposed second year of LSTA funding under an expanded version of the project called *Preparing to Respond and Recover Together*.

In October 2017, our library experienced the devastating effects of the Tubbs Fire, which killed 24 people and destroyed over 5,000 structures. During this emergency, our libraries were closed for ten days. Our basic technology infrastructure pipeline burned out and rendered our ILS, internet, and WiFi useless and cut all staff email communication. Several of our libraries were in evacuation areas and reported unhealthy levels of smoke in the buildings. Many of our staff members were evacuated and left the region. The Tubbs Fire came within a quarter of a mile of the Sonoma County Archives, a facility that stores our oldest government records, valued historical papers, and priceless artifacts.

The following year, the Kincade Fire and corresponding Public Safety Power Shutoffs caused the evacuations of the majority of residents throughout Sonoma County and closure of government offices, businesses, and all but two of our libraries. Again, many staff were evacuated out of the area. Those who remained worked at either our Rohnert Park/Cotati branch or Petaluma branch. Many staff volunteered to assist at community evacuation centers. While our buildings, technology, and collections were not threatened, the unhealthy levels of smoke required remediation and cleaning before facilities could reopen.

The current pandemic situation has resulted in the closure of all our library facilities, just as it has throughout the state and the nation. Like most of our peer libraries, we are following the news and the latest health and safety guidelines and planning corresponding changes to our facilities and operations.

It is clear that library services will look very different during the recovery process from what we all have grown to accept as normal. Everyone's collective experience and wisdom needs to be called on to help our libraries navigate the enormous changes that our environmental and public health emergencies have brought about. NorthNet System's efforts in this regard will be vital and I urge you strongly to support their grant application.

Best regards,

A handwritten signature in blue ink that reads "Ann Hammond".

Ann Hammond
Library Director

sonomalibrary.org

DISCOVER ■ LEARN ■ SHARE

Dear Greg Lucas,

Libraries are an integral part of our communities; they give our students a safe and connected place to study and read, house many educational services and resources, and provide members of our community today a reliable space with internet access. Overall, our cities and towns are richer for their libraries. In Tehama County, ours has kept up with the times, modernizing to meet the needs of a digitally connected world, and it continues to function as a public resource center for our community in during both hard and good times.

Thank you again for your support of *Recovering Together*, NorthNet Library System's disaster preparedness initiative. Recently we've heard from staff, volunteers and library leaders about the need to continue this work. To better support libraries in our region and throughout the state, NorthNet is pursuing a second year of LSTA funding under an expanded version of the project called *Preparing to Respond and Recover Together*.

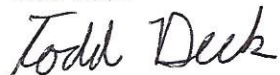
A second year of the project will include:

- A disaster preparedness cohort, which will help NLS libraries to develop their own disaster response and recovery plans
- Personalized coaching to help libraries use available preparedness tools and enhance their readiness to respond to disasters
- Increased opportunities for peer-to-peer sharing and a region wide network of support and
- A series of online roundtable discussions, engaging libraries statewide on important preparedness topics

This spring I facilitated a conversation for the *Adult Service Symposium* for California libraries. This peer led symposium was done entirely online and was deeply impactful to the California library community. I believe that *Preparing to Respond and Recover Together* could be just as helpful and impactful as the *Adult Service Symposium*.

California libraries will be facing many different challenges over the next few years. *Preparing to Respond and Recover Together* is an opportunity for libraries all across the state to learn from each other and help our communities thrive.

Sincerely,
Todd Deck



Librarian, Tehama County Library
NorthNet Library System Chair

CALIFORNIA STATE LIBRARY

CLSA GRANT AGREEMENT

AGREEMENT NUMBER

1819-02-2**Project Title: Zip Books Program**

1. This Grant Agreement is entered into between the State Agency and the Library System named below:

STATE AGENCY'S NAME

California State Library, hereinafter referred to as "CSL"

GRANTEE

NorthNet Library System, hereinafter referred to as "NorthNet"

2. The term of this Agreement is: Upon execution through June 30, 2021

3. The maximum amount of this Agreement is: \$ 1,000,000

4. The parties agree to comply with the terms and conditions of the following Exhibits, which by this reference are made a part of the Agreement.

Exhibit A – A–Scope of Work; A1–Deliverables; A2–Key Personnel; A3–Authorized Representatives	4 pages
Exhibit B – B–Budget Estimate; B1–Budget Justification	2 pages
Exhibit C – Grant Terms and Conditions	5 pages
Exhibit D – Zip Books Program Partner Application (NorthNet Library System)	119 pages

IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto.

COOPERATIVE LIBRARY SYSTEM

SYSTEM NAME

NorthNet Library System

BY (Authorized Signature)

DATE SIGNED (Do not type)



PRINTED NAME AND TITLE OF PERSON SIGNING

Todd Deck, Chair, NorthNet Library System

ADDRESS

Tehama County Library, 545 Diamond Ave., Red Bluff, CA 96080**ADMINISTRATIVE AND FISCAL AGENCY**

AGENCY NAME

Pacific Library Partnership

BY (Authorized Signature)

DATE SIGNED (Do not type)



PRINTED NAME AND TITLE OF PERSON SIGNING

Carol Frost, Chief Executive Officer, Pacific Library Partnership

ADDRESS

32 W. 25th Ave, Suite 201, San Mateo, CA 94403**STATE OF CALIFORNIA**

AGENCY NAME

California State Library

BY (Authorized Signature)

DATE SIGNED (Do not type)



PRINTED NAME AND TITLE OF PERSON SIGNING

Greg Lucas, California State Librarian

ADDRESS

914 Capitol Mall, Sacramento, CA 95814

Exhibit A

Project Summary & Scope of Work

Project Summary/Abstract

At its March 28, 2019 meeting, pending the passage of the Governor's proposed budget which occurred on June 27, 2019, the California Library Services Board designated \$1,000,000 in one-time FY 2019/20 California Library Services Act (CLSA) funds to invest in the Zip Books Program to ensure timely and cost-effective access to information in California's hard-to-reach and underserved communities.

The Zip Books Program employs an alternative model to interlibrary loan service based on a purchase on demand concept that over time has proved cost effective, easy to use, and extremely popular with the public. The project started in 2013 with 15 libraries; currently 74 library jurisdictions across the state are participating, with more being added as the budget allows.

The California State Library will grant \$1,000,000 in designated one-time funds to the NorthNet Library System, with Pacific Library Partnership as its fiscal agency, to serve as the administrative and fiscal partner to the California State Library for the Zip Books Program. This grant will fund the operations of the Program for the term of the agreement, pursuant to the scope of work and timetable outlined below.

Scope of Work. The goals for this program period include:

- 1) To review the current metrics for qualifications for California public library jurisdictions to participate in the Zip Books Program to reprioritize the allocations to libraries and the types of libraries that can participate, and develop new models for participation, including Associate Members and Hybrid Members.
- 2) To assist existing participants to use the program more fully and efficiently through the use of outreach and program marketing, existing toolkits, online open forums, and the development of a Tracking Toolkit.
- 3) Review ordering and fiscal workflows to streamline program effectiveness and efficiency.
- 4) Explore piloting at least one alternate purchasing model.
- 5) Support new and existing participants in managing their Zip Books services, through administration of the Zip Books Program.

Collection and compilation of data required for the deliverables (as outlined in Exhibit A1) will be the responsibility of the project manager as stated in the Key Personnel section below.

NorthNet may alter project plans/objectives as needed throughout the course of the project, with the CSL grant monitor's approval.

Exhibit A1

SCHEDULE OF DELIVERABLES

List all items that will be delivered to CSL under the proposed Scope of Work. Include all reports, including draft reports for State review, and any other deliverables, if requested by the State and agreed to by the Parties. All plans and reports should be submitted to the State Library grant monitor.

Deliverable*	Description	Due Date
1) Monthly reports	Brief monthly reports to include the number of books ordered/purchase, number of patrons served, number of books added to the collection, and fiscal summary	By the end of each month between 7/1/2020 and 6/30/2021
2) Advisory committee	Convene and meet with the Zip Books advisory committee, as needed.	ongoing
3) Review current metrics for participation and award amounts	Review the current allocation and participation schedules. Create an updated rubric for participation and for award amounts.	08/15/2020
4) Open Forums	Host 3-4 online open forums throughout the year for training and discussion	ongoing
5) Develop Tracking Toolkit	Develop a toolkit to improve the tracking of Zip Books and individual program spending, with input and feedback from advisory committee	12/31/2020
6) 50 percent of grant fund expenditures	Total expenditure of at least \$500,000	12/31/2020
7) 1 st narrative and financial report	Report on progress and funds expended (7/1/2020- 12/31/2020)	1/31/2021
8) Pilot Alternate Purchasing Model	Explore at least one alternate purchasing model with test libraries	3/31/2021
9) 100 percent of grant fund expenditures	Total expenditure of all funds (\$1,000,000)	6/30/2021
10) Final narrative and financial report	Final project report on progress and total expenditures (7/1/2020- 6/30/2021)	7/31/2021

Exhibit A2

KEY PERSONNEL

List Key Personnel as defined in the Agreement starting with the Project Manager, by last name, first name followed by co-managers. Then list all other Key Personnel in alphabetical order by last name. For each individual listed include his/her name, institutional affiliation, and role on the proposed project. Use additional consecutively numbered pages if necessary.

Last Name, First Name	Institutional Affiliation	Role on Project
<i>Brinkley, Jacquelyn</i>	<i>NorthNet Library System</i>	<i>Project Manager</i>
<i>Frost, Carol</i>	<i>Pacific Library Partnership</i>	<i>Authorized Official/Administrative Agency</i>
<i>Wendt, Rebecca</i>	<i>California State Library</i>	<i>Grant Monitor</i>

Exhibit A3

AUTHORIZED REPRESENTATIVES AND NOTICES

The following individuals are the authorized representatives for California State Library and the Cooperative Library System under this Agreement. Any official Notices issued under the terms of this Agreement shall be addressed to the Authorized Official identified below, unless otherwise identified in the Agreement.

Changes in contact information may be made by notification, in writing, between the parties.

California State Library Contacts	Cooperative Library System Contacts
	System Name: NorthNet Library System
<p><i>Contract Project Manager (Technical)</i></p> <p>Name: Rebecca Wendt Deputy State Librarian</p> <p>Address: California State Library 900 N Street, 4th Floor Sacramento, CA 95814</p> <p>Telephone: 916-651-6814 Fax: 916-653-8443 Email: Rebecca.Wendt@library.ca.gov</p>	<p><i>Project Manager</i></p> <p>Name: Jacquelyn Brinkley System Coordinator</p> <p>Address: 32 W. 25th Ave, Suite 201 San Mateo, CA 94403</p> <p>Telephone: 916-873-2640 Fax: Email: brinkley@plpinfo.org</p>

<p>Authorized Official (grant monitor)</p> <p>Name: Rebecca Wendt Deputy State Librarian</p> <p>Address: California State Library 900 N Street, 4th Floor Sacramento, CA 95814</p> <p>Telephone: 916-651-6814</p> <p>Email: Rebecca.Wendt@library.ca.gov</p>	<p>Authorized Official</p> <p>Name: Carol Frost Chief Executive Officer</p> <p>Address: Pacific Library Partnership 32 W. 25th Ave., Suite 201 San Mateo, CA 94403</p> <p>Telephone: 650-349-5538</p> <p>Fax:</p> <p>Email: frost@plpinfo.org</p>
<p>Administrative Contact</p> <p>Name: Monica Rivas CLSA Analyst</p> <p>Address: California State Library Library Development Services 900 N Street, 4th Floor Sacramento, CA 95814</p> <p>Telephone: 916-653-5471</p> <p>Fax: 916-653-8443</p> <p>Email: monica.rivas@library.ca.gov</p>	<p>Administrative Contact</p> <p>Name: Carol Frost Chief Executive Officer</p> <p>Address: Pacific Library Partnership 32 W. 25th Ave., Suite 201 San Mateo, CA 94403</p> <p>Telephone: 650-349-5538</p> <p>Fax:</p> <p>Email: frost@plpinfo.org</p>
<p>Financial Contact/Accounting</p> <p>Name: Kevin Driskill Fiscal Officer</p> <p>Address: California State Library, Accounting 900 N Street, 4th Floor Sacramento, CA 95814</p> <p>Telephone: 916-651-0980</p> <p>Fax:</p> <p>Email: kevin.driskill@library.ca.gov</p>	<p>Authorized Financial Contact/Invoicing</p> <p>Name: Andrew Yon Chief Financial Officer</p> <p>Address: Pacific Library Partnership 32 W. 25th Ave., Suite 201 San Mateo, CA 94403</p> <p>Telephone: 650-356-2134</p> <p>Fax:</p> <p>Email: yon@plsinfo.org</p>

Exhibit B

Budget Estimate for Project Period

BUDGET FOR PROJECT PERIOD

PERSONNEL (SALARY/BENEFITS)	FTE	Salary	Fringe	Total
Program Manager (Brinkley)	0.05	\$7,800		\$7,800
Operations Manager (Cao)	0.01	\$972	\$224	\$1,196
Chief Executive Officer (Frost)	0.01	\$1,873	\$224	\$2,097
Controller (Yon)	0.01	\$1,711	\$224	\$1,935
Accounting Clerk II (Lim)	0.5	\$30,399	\$11,205	\$41,604
Total staff support costs	0.58	\$42,755	\$11,877	\$54,632
TRAVEL				
Advisory Committee				\$2,300
Zip Books project coordinator				\$1,100
Program manager				\$750
Total travel				\$4,150
MATERIALS AND SUPPLIES				
CLA meeting supplies				\$1,000
Zip Books				\$818,155
Total materials and supplies				\$819,055
CONTRACTED SERVICES				
Amazon Prime renewals				\$9,650
Zip Books marketing materials: design revisions, printing, shipping				\$9,100
Website Developer & Hosting				\$786
Informational Materials Designer				\$200
Webinar software subscription (Zoom)				\$250
Zip Books project coordinator				\$57,200
Total contracted services				\$78,186
Total all categories				\$956,023
4.6% Indirect Cost				\$43,977
Total Costs				\$1,000,000

Exhibit B1

Budget Justification

The Budget Justification will include the following items in this format.

Personnel

Name. Starting with the Project Manager, list the names of all known personnel who will be paid under this agreement, for each year of the proposed project period. Include individuals in training, technical and support staff or include as “to be determined” (TBD).

Jacquelyn Brinkley, NorthNet System Coordinator and Program Manager, 5% FTE

Wendy Cao, Pacific Library Partnership Operations Manager, 1% FTE

Carol Frost, Pacific Library Partnership, Chief Executive Officer, 1% FTE

Andrew Yon, Pacific Library Partnership, Controller, 1% FTE

Accounting Clerk II, 50% FTE

Role on Project. For all personnel by name, position, function, and a percentage level of effort (as appropriate), including “to-be-determined” positions.

Travel

Provide the purpose, destination, travelers (name or position/role), and duration of each trip. Include detail on airfare, lodging and mileage expenses, if applicable. Should the application include a request for travel outside of the state of California, justify the need for those out-of-state trips separately and completely.

Advisory Committee travel is for attendance at California Library Association, May 2021

Zip Books project coordinator will attend the California Library Association Annual Conference, May 2021

The program manager will attend the California Library Association meeting, May 2021

Materials and Supplies

Itemize materials supplies in separate categories. Include a complete justification of the project’s need for these items. Theft sensitive equipment (under \$5,000) must be justified and tracked separately in accordance with State Contracting Manual Section 7.29.

CLA meeting supplies—to cover the cost of supplies for up to 75 attendees at the Zip Books meeting at the California Library Association Conference, May 2021

Zip Books—this is the cost of the books purchased by libraries for delivery to patrons

Equipment

List each item of equipment (greater than or equal to \$5,000 with a useful life of more than one year) with amount requested separately and justify each.

n/a

Consultant Costs

Consultants are individuals/organizations who provide expert advisory or other services for brief or limited periods and do not provide a percentage of effort to the project or program. Consultants are not involved in the scientific or technical direction of the project as a whole. Provide the names and organizational affiliations of all consultants. Describe the services to be performed, and include the number of days of anticipated consultation, the expected rate of compensation, travel, per diem, and other related costs.

n/a

Contracted Services Costs

Please list any contracted services to be paid for under this project, and provide a justification.

Amazon Prime Renewals – each participating library has to have an Amazon Prime membership to benefit from free shipping costs

Marketing materials – needed to help participating libraries provide outreach to their communities about Zip Books service

Website Developer and Hosting – needed for Zip Books website updates

Informational Materials Designer – needed for Zip Books Google map updates

Webinar subscription – needed for virtual meetings for the Zip Books team

Project coordinator – needed to coordinate Program operations and manage day-to-day maintenance

Indirect Costs

Indirect cost includes costs for NorthNet’s workspace, utilities, internet, IT support, office supplies and use of equipment. Cost over the life of the agreement is limited to \$44,063 (4.6 % of the award).

EXHIBIT C: GRANT TERMS AND CONDITIONS

California State Library
Fiscal Office
P.O. 942837
Sacramento, CA 94237-0001

PAGE 1
GRANT AWARD # 1819- 02

Project Title: "Zip Books Program"
Grantee: NorthNet Library System

ZIP BOOKS PROGRAM GRANT TERMS AND CONDITIONS

This document states the grant terms and conditions, and provides a Certification of Compliance between the California State Library and named above Grantee.

The grantee designated above hereby certifies to the California State Library that the grant of \$1,000,000 will be used solely to carry out the afore-mentioned program as approved and/or as amended by the California State Librarian.

TERMS AND CONDITIONS

The grantee and its named or designated fiscal agent hereby assure the State Library that:

1. The complete CLSA GRANT AGREEMENT, including this GRANT TERMS, CONDITIONS, and CERTIFICATION OF COMPLIANCE document shall constitute the full agreement for the project.
2. The grantee shall report to the State Librarian in such form and containing such information as may be required to enable the California State Library to administer the grant. The grantee shall keep records and afford access to records concerning the grant as the State Librarian finds necessary to assure the correctness and verification of grant reports.
3. The expenditure under this program *shall not* be used to supplant grantee efforts in other programs.
4. This agreement is subject to the provisions of the Budget Act of 2018, Chapter 29 of the Statutes of 2018.
5. The terms of this agreement shall be **upon execution until June 30, 2021**, but shall be subject to termination by the State Librarian upon notice to the grantee at least thirty (30) days prior to the effective date of termination. The State Librarian may extend the final deadline for good cause. Request for extension beyond the final deadline of **June 30, 2021** must be received at least 60 days prior in writing to that deadline at the State Librarian's office.

In the event this agreement is terminated, the grantee shall deliver to the State Librarian copies of all reports and/or materials prepared up to the date of termination, and the State Librarian shall determine, and pay the grantee for necessary and appropriate expenditures and obligations to the date of termination which have not been covered by prior installments previously paid to the grantee. If funding has been advanced to the grantee, any unobligated balances, as determined by the State Librarian, shall be returned to the State Library within 60 days of the notice of termination.

Project Title: "Zip Books Program"
Grantee: NorthNet Library System

**ZIP BOOKS PROGRAM
GRANT TERMS AND CONDITIONS
(continued)**

6. Grantee agrees that the State Library, the Bureau of State Audits, any other appropriate state or federal oversight agency, or their designated representative(s), shall have the right to review and to copy any records and supporting documentation pertaining to the performance of this grant agreement. Grantee agrees to maintain such records for possible audit for a minimum of three (3) years after final payment or until any audit findings have been resolved, unless a longer period of records retention is stipulated. Grantee agrees to allow the auditor(s) access to such records during normal business hours and to allow interviews of any employees who might reasonably have information related to such records. Further, grantee agrees to include a similar right of the State Library, the Bureau of State Audits, any other appropriate state or federal oversight agency, or their designated representative(s) to audit records and interview staff in any subcontract related to performance of this grant agreement.

7. Nothing contained in this agreement or otherwise shall create any contractual relation between the state and any subcontractors, and no subcontract shall relieve the Grantee of its responsibilities and obligations hereunder. The Grantee agrees to be as fully responsible to the State for the acts and omissions of its subcontractors, volunteers, student interns and of persons either directly or indirectly employed by any of them as it is for the acts and omissions of persons directly employed by the grantee. The grantee's obligation to pay its subcontractors is an independent obligation from the State's obligation to make payments to the grantee. As a result, the State shall have no obligation to pay or to enforce the payment of any moneys to any subcontractor.

8. Indemnification: grantee agrees to indemnify, defend and save harmless the State of California, its agents, and employees from any and all claims and losses accruing or resulting to any and all contractors, subcontractors, suppliers, laborers and any other person, firm or corporation furnishing or supplying work services, materials, or supplies in connection with the performance of this agreement, and from any and all claims and losses accruing or resulting to any person, firm or corporation who may be injured or damaged by Grantee in the performance of this Agreement.

9. In the event of a dispute, grantee shall file a "Notice of Dispute" with the State Library within ten (10) days of discovery of the problem. Within 10 days, the State Library grant monitor shall meet with the Grantee for purposes of resolving the dispute. Any dispute concerning a question of fact arising under the terms of this Agreement which is not disposed of within a reasonable period of time by grantee and state employees normally responsible for the administration of this agreement shall be brought to the attention of the State Librarian or designated representative of each organization for resolution. The decision of the State Librarian or designated representative shall be final. In the event of a dispute, the language contained within this agreement shall prevail over any other language including that of the original application. The existence of a dispute not fully resolved shall not delay grantee to continue with the responsibilities under this agreement which are not affected by the dispute.

California State Library
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PAGE 3
GRANT AWARD # 1819- 02

Project Title: "Zip Books Program"
Grantee: NorthNet Library System

**ZIP BOOKS PROGRAM
GRANT TERMS AND CONDITIONS
(continued)**

10. Federal and State Taxes:

The State Library shall not:

- Withhold FICA (Social Security and Medicare payments) from Grantee's payments or make FICA payments on the Grantee's behalf; or
- Make federal or state unemployment insurance contributions on grantee's behalf; or
- Withhold Federal or State income taxes from grantee's payments

Grantee shall pay all taxes required on payments made under this agreement including applicable income taxes and FICA.

11. Fringe Benefit Ineligibility: Grantee agrees that neither the grantee nor its employees and contract personnel are eligible to participate in any employee pension, health benefit, vacation pay, sick pay or other fringe benefit plan of the State of California.

12. Workers' Compensation: The State of California will not provide workers' compensation insurance for grantee or grantee's employees or contract personnel. If grantee hires employees to perform services required by this agreement, grantee shall provide workers' compensation insurance for them.

13. Non-Discrimination Clause: During this grant period, the grantee and the grantee's subcontractors shall not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of sexual orientation, race, color, ancestry, religious creed, national origin, physical disability (including HIV and AIDS), mental disability, medical conditions (cancer), age (over 40), marital status, and denial of family care leave. Grantee shall insure that the evaluation and treatment of contractors, employees and applicants for employment are free from such discrimination and harassment.

14. Exclusive Agreement: The CLSA GRANT AGREEMENT, including this GRANT TERMS, CONDITIONS AND CERTIFICATION OF COMPLIANCE document, constitute the entire agreement between the State Library and the grantee.

15. Severability: If any part of this agreement is held unenforceable, the remainder of the agreement will remain in full force and effect.

16. Applicable Law: The laws of the State of California govern this agreement.

Project Title: "Zip Books Program"
Grantee: NorthNet Library System

**ZIP BOOKS PROGRAM
GRANT TERMS AND CONDITIONS
(continued)**

17. Standards of Conduct: Grantee hereby assures that, in administering this grant agreement, it will comply with the applicable state laws concerning conflicts of interests, in order to maintain the integrity of this grant agreement and to avoid any potential conflict of interests in its administration.

- Notices: All notices and other communications in connection with this agreement shall be in writing, and shall be considered delivered as follows:
- When delivered personally to the recipient's address as stated in this agreement;
- Three days after being deposited in the U.S. Mail, postage prepaid addressed to recipient's address as stated in this agreement
- When sent by fax or e-mail to the last fax or e-mail address of the recipient known to the party giving notice. Notice is effective upon receipt.

18. If this agreement is faxed: grantee and the State Library agree that this agreement will be fully executed when the signature of a party is delivered by facsimile transmission. Signatures transmitted by fax shall have the same effect as original signatures.

LIMITATION OF EXPENDITURE

Expenditure for this project must conform to the approved budget, as amended, and with applicable Federal and State laws and regulations.

Project Title: "Zip Books Program"
Grantee: NorthNet Library System

**ZIP BOOKS PROGRAM
GRANT TERMS AND CONDITIONS
(continued)**

REPORTS AND CLAIMS

The grantee shall make all required reports and claims to the California State Library.

- I. The grantee shall be responsible for the submission of monthly reports, one mid-project narrative report, and one final narrative report, according to the Schedule of Deliverables in the Grant Agreement (Exhibit A1). The Grantee shall submit two (2) financial reports, as outlined in Exhibit A1, to the California State Library. These reports shall reflect the expenditures made by the grantee under the Agreement.
- II. To obtain payment hereunder, the grantee shall submit authorized claims provided by the California State Library for that purpose. For properly submitted claims, the California State Library agrees to pay the grantee as soon thereafter as state fiscal procedures permit.
- III. The State Library must also approve the reports and deliverables. Failure to provide timely reports/deliverables is a breach of a grantee's administrative duty under the award, which may result in state audit exceptions against the State and the loss of local assistance funds. The State Librarian may extend the final deadline for good cause. Request for extension beyond the final deadline of **June 30, 2021**, must be received at least 30 days prior in writing to that deadline at the State Librarian's office.

Payment will be provided to cover the expenditures incurred by the grantee for the project in the following manner:

\$478,000 upon execution of the agreement and submission of claim and certification by grantee

\$478,000 upon the submission and approval of deliverables through 12/31/2020, as outlined in the Schedule of Deliverables (Exhibit A1)

\$44,000 upon the submission and approval of deliverables through 7/31/2021, as outlined in the Schedule of Deliverables (Exhibit A1)

If the amount of payment made by the California State Library shall exceed the actual expenses during the term of this agreement, as reflected in the financial reports to be filed by the grantee, the grantee shall refund to the California State Library the amount of such excess payment.



32 West 25th Avenue, Suite 201, San Mateo, CA 94403-2265
 (650) 349-5538 Fax: (650) 349-5089

www.plpinfo.org

To: NLS Executive Committee
From: Carol Frost
Subject: Review and Approval of FY 2020/21 NLS/PLP Contract for Administrative and Fiscal Services
Date: May 28, 2020

Background

When PLP was awarded the NLS/PLP contract for fiscal and administrative services in February 26, 2018, it was agreed that a contract with baseline services would be provided, and that PLP would discuss with the Executive Committee the work which NLS foresees in the upcoming fiscal year which is beyond the baseline and negotiate additional costs for that work. The purpose of this memo is to discuss the baseline costs and the projected additional services for FY 2020/21 and associated costs.

Discussion of Baseline Budget

The FY 2020/21 baseline contract includes preparing and monitoring budgets and contracts such as Zinio, OverDrive, and Gale; contracts with delivery vendors; oversight of PLSEP, filing regular CalPERS paperwork; invoice payment, billing and distribution of CLSA funds, preparing meeting agenda packets for NLS as well as the three legacy systems, and other general support. It includes 8 hours per week of the Coordinator's time. The FY 2019/20 baseline contract is \$130,563, which is \$1,783 more than the previous fiscal year.

Discussion of Additional Work

As is the case from previous years, it is anticipated that NLS will be in need of work above and beyond the baseline services. Those activities included the work regarding the continued CalPERS obligations for the legacy systems; continued work for the NLS Link+ study and associated advocacy with the State Library and California Library Services Board. NLS has also applied for an LSTA grant, Preparing to Respond and Recover Together, which includes \$5,000 of the System Coordinator's time to offset her work for the grant. Because of those additional activities, the System Coordinator's time has been increased from 8 hours per week to 14 hours per week, along with slight increases in other staff support. The proposed FY 2020/21 Contract for Additional Work is an additional \$28,132, for a combined total of \$158,955.

With NLS being awarded another year as the Zip Book Statewide Grant Administrator, the budget for staff, including hiring a Zip Book Coordinator, totals \$111,832, with these funds coming from the grant. As has been past practice, 90% of the Indirect for both the Zip Books grant and the CLSA Link+ grant will go to PLS for overhead and other costs, and 10% will remain with NLS as additional revenue.

Recommendation

It is recommended that the NLS Executive Committee consider approval of the baseline contract and the Contract for Additional Work for FY 2020/21, and recommend approval to the NLS Administrative Council



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PLP / NorthNet Contract FY 2020/21

<u>Staff</u>	<u>FTE</u>		<u>Total</u>
		<u>Administration</u>	
CEO	0.05	2 hours/week at \$121.37/hour <i>Provide oversight; work with Executive Committee and Coordinator</i>	\$12,622
Office Manager	0.20	8 hours/week @ \$62.89/hour <i>Manage website, listservs and rosters. Point of contact for System Delivery and PLSEP grant. Prepare and distribute agenda packets and minutes, manage UPS accounts, delivery contracts, set up conference calls for committees.</i>	\$26,162
Administrative Assistant II	0.04	1.50 hours/week @ \$51.16/hour <i>Prepare system contracts, open mails, mail ILL materials coordinate Form 700s.</i>	\$3,990
Subtotal - Administration	0.29		\$42,775
		<u>Fiscal Accounting</u>	
Controller	0.10	4 hours/week @ \$102.51 <i>Prepare/monitor budget, authorize and approve payments. Prepare reports/paperwork for audit, prepare financial reports for State and local government. Coordinate database and eContent contract renewal, review delivery contracts/services</i>	\$21,322
Account Clerk	0.08	3 hours/week at \$43.42 <i>Process payables weekly, prepare invoices, prepare deposits</i>	\$6,774
Fiscal/Admin Services Spec.	0.09	3.5 hours/week at \$ 65.60 <i>Prepare invoices and deposits, reconcile bank statements prepare CalPERS reports, prepare document for liability insurance</i>	\$11,939
Administrative Assistant	0.10	4 hours/week at \$20.51 <i>Filing, prepare Holiday Schedule, mail checks and invoices</i>	\$4,266
Subtotal - Fiscal Acctg	0.36		\$44,301
		Total Administration/Fiscal Accounting	\$87,076
Coordinator	0.20	8 hours/week at \$75/hour <i>Distribute legislative, CLSA and other State Library Correspondence, prepare agenda with Executive Council committee, take Council and Executive meeting minutes, work with CalPERS related issues Prepare CLSA Plan of Service and annual reports</i>	\$31,200
		Total Staffing	\$118,276
		Mileage	
		3 round trips @242 mile@ 57.5 cents per mile	\$417
		Total	\$118,694
		10% Overhead	\$11,869
Total FTE	<u>0.85</u>	Grand Total	\$130,563



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Additional Proposed Work: PLP / NorthNet Contract FY 2020/21

The following additional services will be provided to NLS for FY 2020/21

Continuing the work of the NLS Link+ study, including continued work with costs, contracts and implementation with additional libraries; developing plan for CLSB meeting.

Further work related to CalPERS obligations for legacy systems; developing cost share formulas, working with CalPERS and attorney as needed

Work related to the LSTA regional grant "Preparing to Respond and Recover Together"

Note: NLS grant includes \$5,000 for NLS Coordinator's time

<u>Staff</u>	<u>Additional Hours</u>	<u>Total</u>
CEO	1 hour/week at \$121.37/hour	\$6,311
Coordinator	5 hours/week at \$75/hour	\$19,500
Subtotal		\$25,811
	10% Indirect	\$2,581
	TOTAL ADDITIONAL WORK	<u>\$28,392</u>

Work Related to the CLSA ZipBooks Statewide Grant

<u>Staff</u>	<u>Additional Hours</u>	<u>Total</u>
CEO	1 hour/week at \$121.37/hour	\$2,097
Controller	1 hours/week at \$102.51 /hour	\$1,935
Operation Manager	1 hours/week at \$62.89 /hour	\$1,196
Accounting Clerk	18 hours/week at \$43.42/hour	\$41,604
NLS System Coordinator	2 hours/week at \$75/hour	\$7,800
Zip Books Coordinator	22 hours/week at \$50/hour	\$57,200
	Zip Books Subtotal Staff	<u>\$111,832</u>
Zip Books Indirect Costs		
	\$1,000,000 with 4.5% indirect = \$43,977. 90% indirect	
FY 2020/21 ZipBooks Contract PLS (\$39,579); 10% NLS \$4,398)		\$39,579
	TOTAL ZIP BOOKS	\$151,411
	TOTAL ADDITIONAL WORK	\$179,803
FY 2020/21 Baseline Contract		\$130,563
TOTAL CONTRACT		<u>\$310,366</u>



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www.northnetlibs.org

To: NLS Executive Committee
From: Carol Frost
Subject: CLSA Funds for FY 2020/21
Date: May 28, 2020

Normally at this meeting, the NLS Executive Committee would be reviewing the draft NLS California Library Services Act (CLSA) Plan of Service. The Governor's May Budget Revise recommends an approximate 50% reduction in the total CLSA allocation. Budget hearings are ongoing, and it is expected that the budget will be finalized on or about June 12. Because of this, we have been given an extension for submitting the Plan of Service. We will be completing this after the June 25 CLSA meeting, where the final budget amounts will be approved.

At the April meeting, the NLS Executive Committee reviewed budget scenarios if no CLSA funds were allocated. In FY 2019/20 NLS received a CLSA allocation of \$820,118. The preliminary FY 2020/21 result allocation is \$417,929.

Michael Perry has provided a memo which outlines three different scenarios for cost savings from OverDrive for the current year, which will result in funds that may be rolled over to next year to help cover the budget reduction. Below is a synopsis of the scenarios and associated reductions:

FY 2019/20 OverDrive Allocations which could be carried over to FY 2020/21

Scenario A	\$146,383	Freeze all spending
Scenario B	\$114,141	Freeze remaining COVID
Scenario C	\$97,071	Resume all planned purchases

Perry has also provided memos which outline recommendations for spending for OverDrive and RBDigital (Zinio) for FY 2020/21. Those costs \$98,600 and \$61,134, respectively, are higher than the allocations in FY 2019/20, which are \$86,600 and \$56,249, respectively.

Below is a chart that outlines the 50% reduction and the budget implications.

NLS CLSA	FY 2019/20	FY 2020/21 50% reduction (estimates)	Difference	If Use Scenario A OverDrive Savings	Notes using Scenario A
Total Funding					
System Admin	\$156,716	\$83,586	\$73,130	\$83,586	need other funding source
Baseline C & D	\$663,402	\$334,343	\$329,059	334,343	
Subtotal	\$820,118	\$417,929	\$402,189	\$417,929	
Rollover funds for C&D		\$97,071		\$146,383	
Total	\$820,118	\$515,000	\$305,118	\$564,312	
Total C&D	\$663,402	\$431,414	\$231,988	\$480,726	
C&D Expenditures					
Office supplies	\$1,200	\$1,200		\$1,200	
Web hosting, telecommunications	\$2,500	\$2,500		\$2,500	
Postage	\$1,800	\$1,800		\$1,800	
Delivery	\$146,548	\$146,548		\$146,548	Estimate. NBCLS negotiating new contract.
OverDrive	\$86,600	\$98,600	\$12,000	\$30,000	libraries may allocate \$
Zinio	\$56,249	\$61,134	\$4,885	\$32,000	FY16/17 was \$32,268
Allocated to libraries	\$368,505	\$119,632	\$248,873	\$266,678	\$101,827 less than 19/20
Total C&D Baseline	\$663,402	\$431,414	\$231,988	\$480,726	\$182,676 less than 19/20

In the orange column for FY 2020/21, \$97,071 from Scenario C is applied to the revenue. In the C&D Expenditures, the \$98,600 for OverDrive includes \$80,000 for content and \$18,600 for the platform. The \$61,134 Zinio cost is for the all-access model. In this model, \$119,632 would be distributed to the libraries to pay for additional services, such as Link+, other local delivery, local shared eResources and telecommunication costs.

The blue column uses \$146,383 from Scenario A. It also reduces the OverDrive allocation to \$30,000 and brings the Zinio allocation down to the FY 2016/17 level. In this model, \$266,678 is allocated back to libraries. This is offered not as a solution but as a discussion point.

In all scenarios, the \$83,586 in System Administration is not adequate to cover all expenses, and \$73,130 will need to be found from other budget sources to cover those costs.

Recommendation

The Governor's budget is due on June 12. At that time, we will know the final CLSA allocation. The NLS Executive Committee will need to make decisions about the current OverDrive allocations this fiscal year, and allocations for FY 2020/21.



SISKIYOU COUNTY LIBRARY

719 Fourth Street
 Yreka, California 96097
 (530) 842-8805 FAX: (530) 842-7001

MICHAEL PERRY, COUNTY LIBRARIAN
 mperry@co.siskiyou.ca.us

May 18, 2020

Re: Adjusting Overdrive budget for FY 19/20 and FY 20/21 in response to State Library proposed FY 20/21 budget

To the Executive Committee:

On April 21st, the NorthNet Chair asked that I suspend further consortia-based Overdrive spending until we had more detailed from the forthcoming Governor's budget (released on May 14th).

The last transaction was on April 28th (based on pre-orders) and there has been no further spending since April 29th.

Because a number of libraries re-direct CLSA funds to Overdrive, we anticipate a rollover fund to carry over into FY 20/21. **The size of that rollover fund for FY 20/21 will be based on Executive Committee's recommendations for Overdrive's spending for the rest of FY 19/20.**

Rollover Fund Scenarios for FY 20/21

Scenario A: Freeze all spending for rest of FY 19/20

If all spending is frozen at the current state and remains as it is for the rest of the fiscal year, the estimated **rollover into FY 20/21 will be \$146,383.**

Scenario B: Freeze remaining COVID purchases

If we eliminated any remaining planned extra purchases related to the COVID situation – but still allowed previously approved and adopted budgeted expenditures, the estimated **rollover into FY 20/21 will be \$114,141.**

Scenario C: Resume all planned purchases

If we continue with the planned budgeted and COVID additional purchases without any changes, the estimated **rollover into FY 20/21 will be \$97,071.**

As of May 18, 2020	Scenario A
	Complete Freeze
Revenues	
Previous Fiscal Year	
Rollover from FY 18/19	\$ 41,637
Current Fiscal Year	
Local Funds - Platform	\$ 18,600
Local Funds - Materials	\$ 68,000
CLSA Re-directed C&D Funds (FY 19/20)	\$ 182,362
Total	\$ 310,599
Expenditures	
Platform Fee	\$ 19,350
Material Orders (eBook, Audiobook)	
New Purchases	\$ 63,593
Expired MA titles re-purchase	\$ 4,680
One-Time Catch-up Expired Titles	\$ 10,805
COVID New Purchase	\$ 4,057
COVID MA re-buys	\$ 83,135
Sub-Total	\$ 83,135
Holds Manager	
High Holds	\$ 41,038
COVID Holds	\$ 13,068
	\$ 54,106
Simultaneous Use	
Tantor Audiobooks	\$ -
Blackstone Audiobooks	\$ -
Lonely Planet Ebooks	\$ -
COVID Tantor	\$ 1,875
COVID Blackstone	\$ 2,250
Sub-Total	\$ 4,125
MARC Records	\$ 3,500
Reserve	
Reserve for Materials from FY 20/21	\$ 146,383
Total	310,599

As of May 18, 2020	Scenario A	Scenario B
	Complete Freeze	Freeze COVID Expenses
Revenues		
Previous Fiscal Year		
Rollover from FY 18/19	\$ 41,637	\$ 41,637
Current Fiscal Year		
Local Funds - Platform	\$ 18,600	\$ 18,600
Local Funds - Materials	\$ 68,000	\$ 68,000
CLSA Re-directed C&D Funds (FY 19/20)	\$ 182,362	\$ 182,362
Total	\$ 310,599	\$ 310,599
Expenditures		
Platform Fee	\$ 19,350	\$ 19,350
Material Orders (eBook, Audiobook)		
New Purchases	\$ 63,593	\$ 77,000
Expired MA titles re-purchase		
One-Time Catch-up Expired Titles	\$ 4,680	\$ 4,680
COVID New Purchase	\$ 10,805	\$ 10,805
COVID MA re-buys	\$ 4,057	\$ 4,057
Sub-Total	\$ 83,135	\$ 96,542
Holds Manager		
High Holds	\$ 41,038	\$ 52,000
COVID Holds	\$ 13,068	\$ 13,068
	\$ 54,106	\$ 65,068
Simultaneous Use		
Tantor Audiobooks	\$ -	\$ 1,875
Blackstone Audiobooks	\$ -	\$ 2,250
Lonely Planet Ebooks	\$ -	\$ 3,748
COVID Tantor	\$ 1,875	\$ 1,875
COVID Blackstone	\$ 2,250	\$ 2,250
Sub-Total	\$ 4,125	\$ 11,998
MARC Records	\$ 3,500	\$ 3,500
Reserve		
Reserve for Materials from FY 20/21	\$ 146,383	\$ 114,141
Total	310,599	310,599

Scenario B:
Restores planned
budgeted expenses

S

As of May 18, 2020	Scenario A	Scenario B	Scenario C
	Complete Freeze	Freeze COVID Expenses	Resume All Spending
Revenues			
Previous Fiscal Year			
Rollover from FY 18/19	\$ 41,637	\$ 41,637	\$ 41,637
Current Fiscal Year			
Local Funds - Platform	\$ 18,600	\$ 18,600	\$ 18,600
Local Funds - Materials	\$ 68,000	\$ 68,000	\$ 68,000
CLSA Re-directed C&D Funds (FY 19/20)	\$ 182,362	\$ 182,362	\$ 182,362
Total	\$ 310,599	\$ 310,599	\$ 310,599
Expenditures			
Platform Fee	\$ 19,350	\$ 19,350	\$
Material Orders (eBook, Audiobook)			
New Purchases	\$ 63,593	\$ 77,000	\$ 77,000
Expired MA titles re-purchase	\$ 4,680	\$ 4,680	\$ 4,680
COVID New Purchase	\$ 10,805	\$ 10,805	\$ 17,000
COVID MA re-buys	\$ 4,057	\$ 4,057	\$ 5,000
Sub-Total	\$ 83,135	\$ 96,542	\$ 103,680
Holds Manager			
High Holds	\$ 41,038	\$ 52,000	\$ 52,000
COVID Holds	\$ 13,068	\$ 13,068	\$ 23,000
	\$ 54,106	\$ 65,068	\$ 75,000
Simultaneous Use			
Tantor Audiobooks	\$ -	\$ 1,875	\$ 1,875
Blackstone Audiobooks	\$ -	\$ 2,250	\$ 2,250
Lonely Planet Ebooks	\$ -	\$ 3,748	\$ 3,748
COVID Tantor	\$ 1,875	\$ 1,875	\$ 1,875
COVID Blackstone	\$ 2,250	\$ 2,250	\$ 2,250
Sub-Total	\$ 4,125	\$ 11,998	\$ 11,998
MARC Records	\$ 3,500	\$ 3,500	\$ 3,500
Reserve			
Reserve for Materials from FY 20/21	\$ 146,383	\$ 114,141	\$ 97,071
Total	310,599	310,599	310,599

Scenario C:
Restore augmented COVID expenses

LIBRARIES THAT RE-DIRECTED CLSA FUNDS TO OVERDRIVE

CLSA Re-Direct for FY 19/20	
Library	Amount
Alpine County Library	\$ 9,837
Benicia Public Library	\$ -
Butte County Library	\$ 5,000
Colusa County Library	\$ 6,735
Del Norte County Library District	\$ 12,105
Dixon Public Library	\$ -
El Dorado County Library	\$ -
Folsom Public Library	\$ 3,379
Humboldt County Library	\$ 12,930
Lassen Library District	\$ 10,601
Lincoln Public Library	\$ 9,296
Modoc County Library	\$ 10,040
Mono County Library	\$ 10,154
Napa County Library	\$ -
Nevada County Library	\$ -
Orland Free Library	\$ 5,806
Placer County Library	\$ 8,991
Plumas County Library	\$ 11,530
Roseville Public Library	\$ 5,808
Shasta Public Library	\$ 13,756
Siskiyou County Library	\$ 11,988
Solano County Library	\$ -
St. Helena Public Library	\$ -
Sutter County Library	\$ -
Tehama County Library	\$ 14,211
Trinity County Library	\$ 8,094
Willows Public Library	\$ 3,937
Woodland Public Library	\$ 2,164
Yuba County Library	\$ 6,000
	\$ 182,362

Overdrive Budget Proposal - FY 20/21

For FY 20/21, this proposal includes the following changes from FY 19/20:

1. Increase the **local materials budget** to \$80,000, from \$68,000
2. Add **two more budget line items** for Material Purchases:
 - a. Re-purchase Metered Access titles (in addition to but separate from New Purchases)
 - b. Lucky Day titles (in addition to but separate from Holds Manager)
3. Manage Rollover reserves more efficiently

Overall Budget for FY 20/21

Revenues	Budget
Previous Fiscal Year	
Local Funds - Materials Carryover (FY 19/20)	\$ 43,655
Current Fiscal Year	
Local Funds - Platform	\$ 18,600
Local Funds - Materials	\$ 80,000
CLSA C&D Funds (FY 20/21)	\$ 30,000
Total	\$ 172,255
Expenditures	
Platform Fee	
	\$ 18,600
Material Orders (eBook, Audiobook)	
New Purchases	\$ 72,000
Re-purchase MA titles	\$ 12,000
Sub-Total	\$ 84,000
Holds Manager	
High Holds	\$ 52,000
Lucky Day Purchases	\$ 5,200
	\$ 57,200
Simultaneous Use	
Tantor Audiobooks	\$ 1,875
Blackstone Audiobooks	\$ 2,250
Lonely Planet Ebooks	\$ 3,748
Sub-Total	\$ 7,873
MARC Records	
	\$ 4,000
Reserve	
Reserve for Materials from FY 20/21	\$ 582
Total	172,255

FY 20/21 Proposed Cost-Share (by Library System)

Your library systems cost is shown under the “FY 20/21 (Proposed)” column in green, and the current year’s cost is included for reference. The Local Funds budget is based on the following:

- \$18,600 for Platform Fee
- \$80,000 for Materials

FY 20/21 Proposal			
Library	FY 20/21 (Proposed)		FY 19/20
Alpine County Library	\$ 108		\$ 115
Benicia Public Library	\$ 2,391		\$ 1,987
Butte County Library	\$ 5,893		\$ 4,207
Colusa County Library	\$ 129		\$ 149
Del Norte County Library District	\$ 465		\$ 432
Dixon Public Library	\$ 430		\$ 322
El Dorado County Library	\$ 9,883		\$ 10,059
Folsom Public Library	\$ 5,464		\$ 4,217
Humboldt County Library	\$ 6,298		\$ 5,199
Lassen Library District	\$ 310		\$ 236
Lincoln Public Library	\$ 3,496		\$ 2,910
Modoc County Library	\$ 195		\$ 161
Mono County Library	\$ 904		\$ 770
Napa County Library	\$ 8,077		\$ 7,298
Nevada County Library	\$ 8,230		\$ 6,708
Orland Free Library	\$ 328		\$ 314
Placer County Library	\$ 10,905		\$ 10,092
Plumas County Library	\$ 538		\$ 518
Roseville Public Library	\$ 9,129		\$ 8,539
Shasta Public Library	\$ 5,783		\$ 8,381
Siskiyou County Library	\$ 1,489		\$ 1,066
Solano County Library	\$ 11,237		\$ 7,394
St. Helena Public Library	\$ 1,061		\$ 969
Sutter County Library	\$ 1,903		\$ 1,454
Tehama County Library	\$ 877		\$ 687
Trinity County Library	\$ 337		\$ 306
Willows Public Library	\$ 266		\$ 192
Woodland Public Library	\$ 2,133		\$ 1,664
Yuba County Library	\$ 341		\$ 256
	\$ 98,600		\$ 86,600

Budget Breakdown

Overdrive Revenues

The budget is based on three revenues sources:

1. Local Funds contributed by the membership
2. Rollover Funds from FY 19/20
3. Anticipated re-directed Funds from CLSA in FY 20/21

1. Local Funds - \$98,600

The Local Funds Overdrive budget is split into two categories

- Platform Fee: \$18,600
- Materials: \$80,000 (EBooks, Audiobooks, Simultaneous Use plans, MARC Records)

Platform Fee

The Platform Fee has remained constant over the past few years. However, we expect the current contract to be renewed in Fall 2020 (exact date is TBD). It is unknown if the costs will increase, but since Butte County and Shasta County have joined the consortia platform during this contract period it would be a surprise if it stayed the same.

We have asked Overdrive for their costs for renewal and will update the membership when we receive it. If the cost increases are significant, we will revise the budget at mid-year in January 2021.

Materials

For FY 20/21, this budget requests an increase of the local contribution to \$80,000, from \$68,000 in FY 19/20.

This increase reflects the overall increase in use and collection management demands (both to address pressures on the Holds Manager) but also allocating additional funds to re-purchase Metered Access titles.

The increase is also an attempt to balance the membership's overall contribution to the budget so it isn't overly dependent on re-directed CLSA funds, which are currently significant.

2. Rollover Funds from FY 19/20 - \$43,655

As of the writing of this proposal, we anticipate that there will be approximately \$43,000 in unused re-directed CLSA funds (though we are still waiting to hear from a number of library systems that previously contributed funds).

If the current revenue figure of \$43,000 becomes significantly larger, we will assign it to build the reserve for FY 21/22 (which currently sits at \$582).

Alternatively, we can re-visit the FY 20/21 budget expenses.

3. Anticipated re-directed Funds from CLSA in FY 20/21 - \$30,000

This budget anticipates \$30,000 of CLSA funds in FY 20/21 will be re-directed to Overdrive. This is a very conservative estimate based on the last two years' contribution from members (which have been approximately \$70,000 in the past two fiscal years).

These figures will not be known until early 2021. If we expect to receive more re-directed CLSA funds than the current \$30,000, we can make a mid-year adjustment to the budget (as we did this fiscal year).

All these revenues sources combine to give us **a tentative budget income of \$172,255.**

Overdrive Expenses

The collections budget is based on four expenses:

1. New Purchases
2. Holds Manager
3. Simultaneous Use plans
4. MARC records

1. New Purchase

The FY 20/21 budget increase will allow us to order \$6,000 of new material each month while setting aside an additional \$1,000 to re-purchase Metered Access titles that are expiring but still in-demand.

	FY 19/20		FY 20/21
Material Orders (eBook, Audiobook)			
New Purchases	\$ 67,000		\$ 72,000
Expired MA titles re-purchase	\$ 10,000		\$ 12,000
One-Time Catch-up Expired Titles	\$ 4,680		\$ -
Sub-Total	\$ 81,680		\$ 84,000

2. Holds Manager

The Holds Manager line item includes a separate expense for Lucky Day for \$100 a week (or about 2 titles).

Lucky Day is a new program, introduced in January 2020, so this would allow new copies to be purchased without sacrificing responding to other holds. However, we can re-visit this mid-year to see if the Lucky Day program is having an impact and whether it is worth supporting as a separate budget line item.

	FY 19/20		FY 20/21
Holds Manager			
High Holds	\$ 52,000		\$ 52,000
Lucky Day Purchases	\$ -		\$ 5,200
	\$ 52,000		\$ 57,200

3. Simultaneous Use

The Simultaneous Use plans allow many patrons to access the same titles. The audiobook plans have been extremely popular. The Travel eBooks were introduced this year and have been circulating too.

The budget remains unchanged.

	FY 19/20		FY 20/21
Simultaneous Use			
Tantor Audiobooks	\$ 1,875		\$ 1,875
Blackstone Audiobooks	\$ 2,250		\$ 2,250
Lonely Planet Ebooks	\$ 3,748		\$ 3,748
Sub-Total	\$ 7,873		\$ 7,873

4. MARC Records

MARC records are supplied to library systems and have remained a steady expense.

	FY 19/20		FY 20/21
MARC Records	\$ 4,000		\$ 4,000

All these expenses sources combine to give us **a tentative budget outlay of \$171,673.**

Balance of Local Budget and CLSA Re-directed funds

One goal of this Overdrive budget is to not be too dependent on CLSA re-directed funds. For example, see the below table for a brief summary of revenues and expenses allocated to materials (excluding the platform cost).

Revenues	FY 19/20	FY 20/21
Local Funds	\$68,000	\$80,000
CLSA (Rollover + Redirect)	\$77,553	\$72,983
Total	\$145,553	\$152,983

Expenses	FY 19/20	FY 20/21
New Purchases	\$81,680	\$84,000
Holds Manager	\$52,000	\$57,200
Simultaneous Use	\$7,873	\$7,783
MARC	\$4,000	\$4,000
Total	\$145,553	\$152,983

For FY 19/20, the percentage share of expenses paid by Local Funds (i.e. collectively) was

$$\frac{\$68,000}{\$145,553} = 46.7\%$$

For FY 20/21, the percentage share of proposed expenses paid by Local Funds increased

$$\frac{\$80,000}{\$152,983} = 52.3\%$$

While it is not realistic to only depend on Local Funds for the entire materials budget, this value captures how much of the materials budget is dependent on re-directed funds and that these re-directed CLSA funds – from a subset of libraries – is offsetting the true cost to each individual library.

Cost-Share Breakdown

Unique Users

Half of the budget is assessed based on your library's share of unique Overdrive users in the 2019 calendar year:

- \$9,300 for Platform Fee (Half of \$18,600)
- \$40,000 for Materials (Half of \$80,000)

And is shown in the blue column.

FY 20/21 Budget based on share of Unique Users					
Library	Unique Users (2019)	Share of Users (2019)	Platform	Content	FY 20/21 (User Share)
Alpine County Library	47	0.11%	\$ 11	\$ 45	\$ 56
Benicia Public Library	1,146	2.75%	\$ 256	\$ 1,101	\$ 1,358
Butte County Library	1,937	4.65%	\$ 433	\$ 1,862	\$ 2,295
Colusa County Library	49	0.12%	\$ 11	\$ 47	\$ 58
Del Norte County Library Dis	168	0.40%	\$ 38	\$ 161	\$ 199
Dixon Public Library	186	0.45%	\$ 42	\$ 179	\$ 220
El Dorado County Library	4,055	9.74%	\$ 906	\$ 3,898	\$ 4,804
Folsom Public Library	2,569	6.17%	\$ 574	\$ 2,469	\$ 3,043
Humboldt County Library	2,253	5.41%	\$ 503	\$ 2,166	\$ 2,669
Lassen Library District	90	0.22%	\$ 20	\$ 87	\$ 107
Lincoln Public Library	1,393	3.35%	\$ 311	\$ 1,339	\$ 1,650
Modoc County Library	62	0.15%	\$ 14	\$ 60	\$ 73
Mono County Library	364	0.87%	\$ 81	\$ 350	\$ 431
Napa County Library	4,103	9.86%	\$ 917	\$ 3,944	\$ 4,861
Nevada County Library	3,233	7.77%	\$ 722	\$ 3,107	\$ 3,830
Orland Free Library	111	0.27%	\$ 25	\$ 107	\$ 131
Placer County Library	4,655	11.19%	\$ 1,040	\$ 4,474	\$ 5,515
Plumas County Library	200	0.48%	\$ 45	\$ 192	\$ 237
Roseville Public Library	4,032	9.69%	\$ 901	\$ 3,875	\$ 4,776
Shasta Public Library	1,912	4.59%	\$ 427	\$ 1,838	\$ 2,265
Siskiyou County Library	545	1.31%	\$ 122	\$ 524	\$ 646
Solano County Library	5,782	13.89%	\$ 1,292	\$ 5,557	\$ 6,850
St. Helena Public Library	410	0.99%	\$ 92	\$ 394	\$ 486
Sutter County Library	725	1.74%	\$ 162	\$ 697	\$ 859
Tehama County Library	317	0.76%	\$ 71	\$ 305	\$ 376
Trinity County Library	110	0.26%	\$ 25	\$ 106	\$ 130
Willows Public Library	78	0.19%	\$ 17	\$ 75	\$ 92
Woodland Public Library	947	2.28%	\$ 212	\$ 910	\$ 1,122
Yuba County Library	137	0.33%	\$ 31	\$ 132	\$ 162
	41,616	100.00%	\$ 9,300	\$ 40,000	\$ 49,300

Example of calculation for Unique Users cost-share

Unique users are the count of a library system's users who borrowed at least one title from the Overdrive collection in 2019.

For example, Alpine County's share of Overdrive users in 2019 was

$$\frac{47 \text{ Alpine users}}{41,616 \text{ Total users}} = 0.113\%$$

(Percentages rounded to the nearest hundredth for the table but exact value used for the calculation)

For the platform share cost:

$$0.113\% \times \$9,300 \approx \$10.503$$

(all figures are rounded up or down to the nearest dollar)

For the materials share cost:

$$0.126\% \times 40,000 \approx \$45.20$$

(all figures are rounded up or down to the nearest dollar)

Together they give Alpine County's cost-share of *half* the total budget based on their share of Unique Users:

$$\$10.50 + \$45.20 = \$55.70 \approx \$56$$

Note

Shasta Public Library joined in March 2019. For simplicity, Shasta's numbers assumed that they were part of the consortia for the entire year.

Share of Circulation

The other half of the budget is assessed based on your library's share of circulation on consortia-purchased titles in calendar year 2019:

- \$9,300 for Platform Fee (Half of \$18,600)
- \$40,000 for Materials (Half of \$80,000)

And is shown in the orange column.

FY 20/21 Budget based on Circulation Share					
Library	Consortia Circ only (2019)	Share of Circulation (2019)	Platform	Content	FY 20/21 (Circ Share)
Alpine County Library	336	0.11%	\$ 10	\$ 43	\$ 52
Benicia Public Library	6,631	2.10%	\$ 195	\$ 839	\$ 1,034
Butte County Library	23,083	7.30%	\$ 679	\$ 2,920	\$ 3,599
Colusa County Library	457	0.14%	\$ 13	\$ 58	\$ 71
Del Norte County Library Dis	1,709	0.54%	\$ 50	\$ 216	\$ 266
Dixon Public Library	1,345	0.43%	\$ 40	\$ 170	\$ 210
El Dorado County Library	32,578	10.30%	\$ 958	\$ 4,121	\$ 5,079
Folsom Public Library	15,523	4.91%	\$ 457	\$ 1,964	\$ 2,420
Humboldt County Library	23,278	7.36%	\$ 685	\$ 2,945	\$ 3,629
Lassen Library District	1,304	0.41%	\$ 38	\$ 165	\$ 203
Lincoln Public Library	11,839	3.74%	\$ 348	\$ 1,498	\$ 1,846
Modoc County Library	782	0.25%	\$ 23	\$ 99	\$ 122
Mono County Library	3,035	0.96%	\$ 89	\$ 384	\$ 473
Napa County Library	20,628	6.52%	\$ 607	\$ 2,609	\$ 3,216
Nevada County Library	28,220	8.92%	\$ 830	\$ 3,570	\$ 4,400
Orland Free Library	1,260	0.40%	\$ 37	\$ 159	\$ 196
Placer County Library	34,575	10.93%	\$ 1,017	\$ 4,374	\$ 5,391
Plumas County Library	1,933	0.61%	\$ 57	\$ 245	\$ 301
Roseville Public Library	27,917	8.83%	\$ 821	\$ 3,531	\$ 4,352
Shasta Public Library	22,563	7.14%	\$ 664	\$ 2,854	\$ 3,518
Siskiyou County Library	5,408	1.71%	\$ 159	\$ 684	\$ 843
Solano County Library	28,138	8.90%	\$ 828	\$ 3,559	\$ 4,387
St. Helena Public Library	3,691	1.17%	\$ 109	\$ 467	\$ 575
Sutter County Library	6,694	2.12%	\$ 197	\$ 847	\$ 1,044
Tehama County Library	3,215	1.02%	\$ 95	\$ 407	\$ 501
Trinity County Library	1,325	0.42%	\$ 39	\$ 168	\$ 207
Willows Public Library	1,111	0.35%	\$ 33	\$ 141	\$ 173
Woodland Public Library	6,485	2.05%	\$ 191	\$ 820	\$ 1,011
Yuba County Library	1,149	0.36%	\$ 34	\$ 145	\$ 179
	316,212	100.00%	\$ 9,300	\$ 40,000	\$ 49,300

Example of calculation for Circulation Share cost-share

The circulation data collected for 2019 reflects circulation on titles purchased by the consortia so that systems that purchased locally for their Advantage collection and share their content are not negatively impacted for sharing the titles.

For example, Alpine County's share of circulation of consortia title in 2019 was

$$\frac{336 \text{ Alpine circulations}}{316,212 \text{ total circulations}} = 0.106\%$$

*(Percentages rounded to the nearest hundredth for the table
but exact value used for the calculation)*

For the platform share cost:

$$0.106\% \times \$9,300 \approx \$9.88$$

(all calculations are rounded up or down to the nearest dollar)

For the material share cost:

$$0.106\% \times 40,000 \approx \$42.503$$

(all figures are rounded up or down to the nearest dollar)

Together gives Alpine County's cost-share of half the budget on their share of Circulation on consortia-purchased titles:

$$\$9.88 + \$42.50 = \$52.38 \approx \$52$$

Note

Shasta Public Library joined in March 2019. For simplicity, Shasta's numbers assumed that they were part of the consortia for the entire year.

Final Budget calculation

Combining both of these calculations gives the final amount for FY 20/21

1. Each library system's share based on Unique Users is shown in the blue column.
2. Each library system's share based on Circulation is shown in the orange column.
3. Combined amount shown in the green column
4. Current costs for FY 19/20 in last column, for easy reference

FY 20/21 Proposal					
Library	Platform Share	FY 20/21 (User Share)	FY 20/21 (Circ Share)	FY 20/21	FY 19/20
Alpine County Library	\$ -	\$ 56	\$ 52	\$ 108	\$ 115
Benicia Public Library	\$ -	\$ 1,358	\$ 1,034	\$ 2,391	\$ 1,987
Butte County Library	\$ -	\$ 2,295	\$ 3,599	\$ 5,893	\$ 4,207
Colusa County Library	\$ -	\$ 58	\$ 71	\$ 129	\$ 149
Del Norte County Library District	\$ -	\$ 199	\$ 266	\$ 465	\$ 432
Dixon Public Library	\$ -	\$ 220	\$ 210	\$ 430	\$ 322
El Dorado County Library	\$ -	\$ 4,804	\$ 5,079	\$ 9,883	\$ 10,059
Folsom Public Library	\$ -	\$ 3,043	\$ 2,420	\$ 5,464	\$ 4,217
Humboldt County Library	\$ -	\$ 2,669	\$ 3,629	\$ 6,298	\$ 5,199
Lassen Library District	\$ -	\$ 107	\$ 203	\$ 310	\$ 236
Lincoln Public Library	\$ -	\$ 1,650	\$ 1,846	\$ 3,496	\$ 2,910
Modoc County Library	\$ -	\$ 73	\$ 122	\$ 195	\$ 161
Mono County Library	\$ -	\$ 431	\$ 473	\$ 904	\$ 770
Napa County Library	\$ -	\$ 4,861	\$ 3,216	\$ 8,077	\$ 7,298
Nevada County Library	\$ -	\$ 3,830	\$ 4,400	\$ 8,230	\$ 6,708
Orland Free Library	\$ -	\$ 131	\$ 196	\$ 328	\$ 314
Placer County Library	\$ -	\$ 5,515	\$ 5,391	\$ 10,905	\$ 10,092
Plumas County Library	\$ -	\$ 237	\$ 301	\$ 538	\$ 518
Roseville Public Library	\$ -	\$ 4,776	\$ 4,352	\$ 9,129	\$ 8,539
Shasta Public Library	\$ -	\$ 2,265	\$ 3,518	\$ 5,783	\$ 8,381
Siskiyou County Library	\$ -	\$ 646	\$ 843	\$ 1,489	\$ 1,066
Solano County Library	\$ -	\$ 6,850	\$ 4,387	\$ 11,237	\$ 7,394
St. Helena Public Library	\$ -	\$ 486	\$ 575	\$ 1,061	\$ 969
Sutter County Library	\$ -	\$ 859	\$ 1,044	\$ 1,903	\$ 1,454
Tehama County Library	\$ -	\$ 376	\$ 501	\$ 877	\$ 687
Trinity County Library	\$ -	\$ 130	\$ 207	\$ 337	\$ 306
Willows Public Library	\$ -	\$ 92	\$ 173	\$ 266	\$ 192
Woodland Public Library	\$ -	\$ 1,122	\$ 1,011	\$ 2,133	\$ 1,664
Yuba County Library	\$ -	\$ 162	\$ 179	\$ 341	\$ 256
	\$ -	\$ 49,300	\$ 49,300	\$ 98,600	\$ 86,600

RB Digital Magazine FY 20/21 Summary

Reminder of current FY 19/20 content and cost

NorthNet subscribed to ~100 magazines for an overall cost of **\$53,717**:

- \$34,000 for the RB Digital platform
- \$19,717 for the content

FY 20/21 Magazine Titles

Instead of ~100 magazines, RB Digital will allow access to all 3,500+ titles on their platform. To see the new layout and span of new titles that will be available, how they will be sorted and/or filtered, see the [Denver Public Library platform](#).

FY 20/21 Budget

For FY 20/21, RB Digital is offering its entire catalog for one flat content price (with the exception of the Economist, which needs to be purchased in addition to the all-access content).

The current quote of \$61,134 is broken down as follows

- \$34,000 for the RB Digital platform
- \$27,134 for all content, including the Economist
 - Economist cost is \$1,134 of this amount (\$567 per subscription and requires two subscriptions)

FY 20/21 Cost Share

The cost-share formula is based on your system's percentage share of its overall library physical circulation (not based on circulation for the RB Digital titles), as reported to the State Library. RB Digital originally priced the consortia based on this value and (before this coming fiscal year) how many subscriptions for each title the consortia must purchase. The group has historically percentage to the assess a library system's cost.

The Annual Circulation numbers for FY 17/18 are the latest available, from the California State Library “Physical Item Circulation” column from its Public Library Statistics portal (<https://ca.countingopinions.com>).

FY 20/21 Budget Proposal

Library	FY 17/18 Circulation	Percentage Share	Platform	Content	FY 20/21	FY 19-20
Alpine	17,081	0.3%	\$ 87	\$ 69	\$ 156	\$ 111
Butte	704,523	10.5%	\$ 3,579	\$ 2,856	\$ 6,434	\$ 6,338
Colusa	76,933	1.1%	\$ 391	\$ 312	\$ 703	\$ 597
Del Norte	44,452	0.7%	\$ 226	\$ 180	\$ 406	\$ 307
El Dorado	746,826	11.2%	\$ 3,793	\$ 3,027	\$ 6,821	\$ 5,861
Humboldt	489,936	7.3%	\$ 2,489	\$ 1,986	\$ 4,475	\$ 4,095
Lake	190,886	2.9%	\$ 970	\$ 774	\$ 1,743	\$ 1,438
Lassen	24,247	0.4%	\$ 123	\$ 98	\$ 221	\$ 211
Modoc	24,017	0.4%	\$ 122	\$ 97	\$ 219	\$ 196
Mono	90,156	1.3%	\$ 458	\$ 365	\$ 823	\$ 722
Napa	1,022,093	15.3%	\$ 5,192	\$ 4,143	\$ 9,335	\$ 8,730
Nevada	739,509	11.0%	\$ 3,756	\$ 2,998	\$ 6,754	\$ 5,376
Orland	34,532	0.5%	\$ 175	\$ 140	\$ 315	\$ 281
Placer	909,887	13.6%	\$ 4,622	\$ 3,688	\$ 8,310	\$ 7,071
Plumas	54,643	0.8%	\$ 278	\$ 222	\$ 499	\$ 412
Shasta	441,471	6.6%	\$ 2,242	\$ 1,790	\$ 4,032	\$ 3,862
Siskiyou	201,179	3.0%	\$ 1,022	\$ 816	\$ 1,837	\$ 1,283
Sutter	327,435	4.9%	\$ 1,663	\$ 1,327	\$ 2,990	\$ 2,208
Tehama	149,069	2.2%	\$ 757	\$ 604	\$ 1,361	\$ 1,160
Trinity	45,631	0.7%	\$ 232	\$ 185	\$ 417	\$ 252
Willows	23,771	0.4%	\$ 121	\$ 96	\$ 217	\$ 174
Woodland	262,037	3.9%	\$ 1,331	\$ 1,062	\$ 2,393	\$ 2,069
Yuba	73,404	1.1%	\$ 373	\$ 298	\$ 670	\$ 963
	6,693,718		\$ 34,000	\$ 27,134	\$ 61,134	\$ 53,717

Again,

- \$34,000 for the RB Digital platform
- \$27,134 for the Content

Cost-share calculation example

Take Alpine County as an example of the cost-share calculation.

Percentage share of the annual circulation of RB Digital members

$$\frac{17,081}{6,693,718} = 0.2559\% \text{ of overall circulation (Rounded)}$$

Platform Cost

$$0.2559\% \times \$34,000 = \$87 \text{ (Rounded to the nearest dollar)}$$

Content Cost

$$0.2559\% \times 27,134 = \$69 \text{ (Rounded to the nearest dollar)}$$

Total Cost

$$\$87 + \$69 = \$156 \text{ (Rounded to the nearest dollar)}$$

Considerations

1. The cost increase is about 14%, but the amount of content available is much greater than any previous year
2. While there may be many hundreds of magazine that may never circulate, an expanded selection will likely reach a broader base of patrons – especially for niche topics and magazines in different languages (areas we have usually been limited from offering)
3. We spend less time having to identify and choose a subset of this overall collection (time saved, even if cost increases)
4. Other libraries may join given the change in title availability. If so, some costs may increase for the group, but decrease for all the individual members
5. Is there a different to cost-share? Could we base it on the actual circulation of RB Digital titles, rather than your library's physical circulation from last fiscal year.

NORTHNET LIBRARY SYSTEM
BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

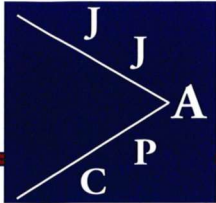
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NorthNet Library System
Basic Financial Statements
For the year ended June 30, 2019

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JJACPA, Inc.

A Professional Accounting Services Corp.

INDEPENDENT AUDITOR'S REPORT

To the Administrative Council of the
NorthNet Library System
San Mateo, California

Report on the Financial Statements

We have audited the accompanying basic financial statements of the NorthNet Library System (NLS) as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise NLS's basic financial statements as listed in the table of contents. The prior-year comparative total information presented has been derived from the NLS's 2018 basic financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position and the budgetary comparison information of NLS, as of June 30, 2019, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis on pages 3-8 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated May 21, 2020 on our consideration of NLS's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the NLS's internal control over financial reporting and compliance.

May 21, 2020

JJACPA, Inc.
JJACPA, Inc.
Dublin, CA

NorthNet Library System Management's Discussion and Analysis For the year ended June 30, 2019

Management's Discussion and Analysis

This section of the NorthNet Library System's (NLS) basic financial statements presents management's discussion and analysis of NLS's financial performance during the fiscal year ended June 30, 2019. Since this management's discussion and analysis is designed to focus on current activities, resulting change, and current known facts, please read it in conjunction with NLS's basic financial statements (pages 12 and 13) as well as the footnotes to the financial statements (pages 15 - 22).

Financial Highlights

At June 30, 2019, NLS ended the year with a net position balance of \$1,477,130 which is a decrease of \$514,213 over the net position balance of \$1,919,613 at June 30, 2018. This decrease was primarily due to final expenditures of the FY17-19 CLSA Zipbooks Project funds from the State Library.

Using This Report

In June 1999, the Governmental Accounting Standards Board (GASB) released Statement No. 34, *Basic Financial Statements -- and Management's Discussion and Analysis -- for State and Local Governments*. Changes in Statement No. 34 require a comprehensive one-line look at the entity as a whole and capitalization of assets and depreciation. The major reconciling items necessary were capitalization and depreciation of capital assets and inclusion of long-term liabilities. NLS has selected the single governmental fund (General Fund) presentation since this reflects the most concise and easily readable presentation for NLS's operations.

The annual financial statements include the Independent Auditor's Report, this management's discussion and analysis, the basic financial statements, and notes to basic financial statements and required supplementary information.

NorthNet Library System
Management's Discussion and Analysis, *continued*
For the year ended June 30, 2019

Financial Analysis of NLS as a Whole

Statement of Net Position
As of June 30, 2019 and 2018

	<u>2019</u>	<u>2018</u>	<u>Increase (Decrease)</u>	<u>Percent Change</u>
Assets:				
Current Assets	\$ 2,109,377	\$ 2,555,480	\$ (446,103)	-17.5%
Total Assets	<u>2,109,377</u>	<u>2,555,480</u>	<u>(446,103)</u>	-17.5%
Liabilities:				
Current Liabilities	605,416	526,290	79,126	15.0%
Total liabilities	<u>605,416</u>	<u>526,290</u>	<u>79,126</u>	15.0%
Deferred inflows - Unavailable revenue	<u>26,831</u>	<u>37,847</u>	<u>(11,016)</u>	-29.1%
Net position:				
Restricted	71,730	71,730	-	0.0%
Unrestricted	<u>1,405,400</u>	<u>1,919,613</u>	<u>(514,213)</u>	-26.8%
Total net position	<u>1,477,130</u>	<u>1,991,343</u>	<u>(514,213)</u>	-26.8%
Total liabilities, deferred inflows and net position	<u>\$ 2,109,377</u>	<u>\$ 2,555,480</u>	<u>(446,103)</u>	-17.5%

This schedule is prepared from NLS's Statement of Net Position, which is presented on an accrual basis of accounting whereby assets are capitalized and depreciated.

Net position of \$1,477,130 at June 30, 2019, consisted of restricted amount for Operating Reserves and unrestricted amount available for operations.

NorthNet Library System
Management's Discussion and Analysis, *continued*
For the year ended June 30, 2019

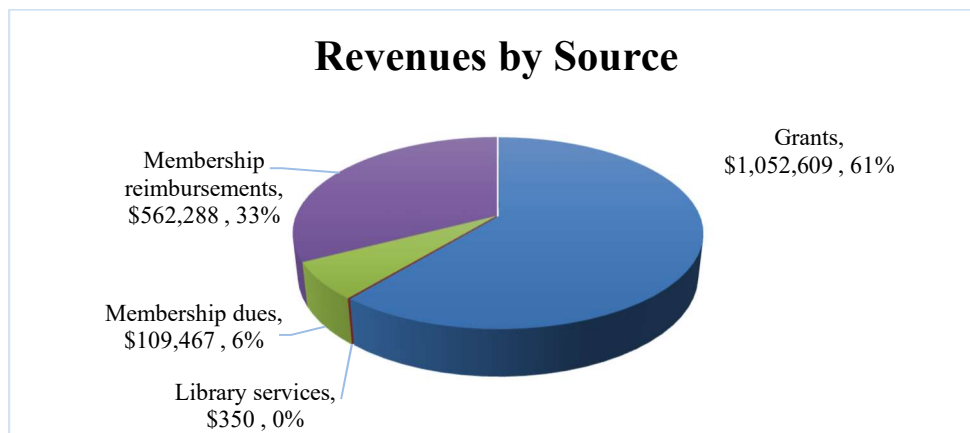
Financial Analysis of NLS as a Whole, *continued*

Operating Results
For the years ended June 30, 2019 and 2018

	<u>2019</u>	<u>2018</u>	<u>Increase (Decrease)</u>	<u>Percent Change</u>
Operating expenses	<u>\$ 2,291,687</u>	<u>\$ 1,234,910</u>	<u>\$ 1,056,777</u>	85.6%
Program revenues:				
Grants	1,052,609	951,790	100,819	10.6%
Library Services	350	40,810	(40,460)	-99.1%
Membership dues	109,467	105,305	4,162	4.0%
Membership reimbursements	<u>562,288</u>	<u>432,288</u>	<u>130,000</u>	30.1%
Total program revenue	<u>1,724,714</u>	<u>1,530,193</u>	<u>230,819</u>	15.1%
Net operating expenses	<u>566,973</u>	<u>(295,283)</u>	<u>862,256</u>	-292.0%
General revenue:				
Interest	<u>52,760</u>	<u>31,603</u>	<u>21,157</u>	66.9%
Total general revenue	<u>52,760</u>	<u>31,603</u>	<u>21,157</u>	66.9%
Increase (decrease) in net position	(514,213)	326,886	(841,099)	-257.3%
Net position:				
Beginning of year	<u>1,991,343</u>	<u>1,664,457</u>	<u>326,886</u>	19.6%
End of year	<u><u>\$ 1,477,130</u></u>	<u><u>\$ 1,991,343</u></u>	<u><u>\$ (514,213)</u></u>	-25.8%

In fiscal year 2018-19, program revenues were primarily from grants, membership dues and reimbursements, which amounted to \$1,724,714. General revenues consisted of interest revenue.

The following is a graphic illustration of revenues by source for the year ended June 30, 2019:



NorthNet Library System
Management's Discussion and Analysis, *continued*
For the year ended June 30, 2019

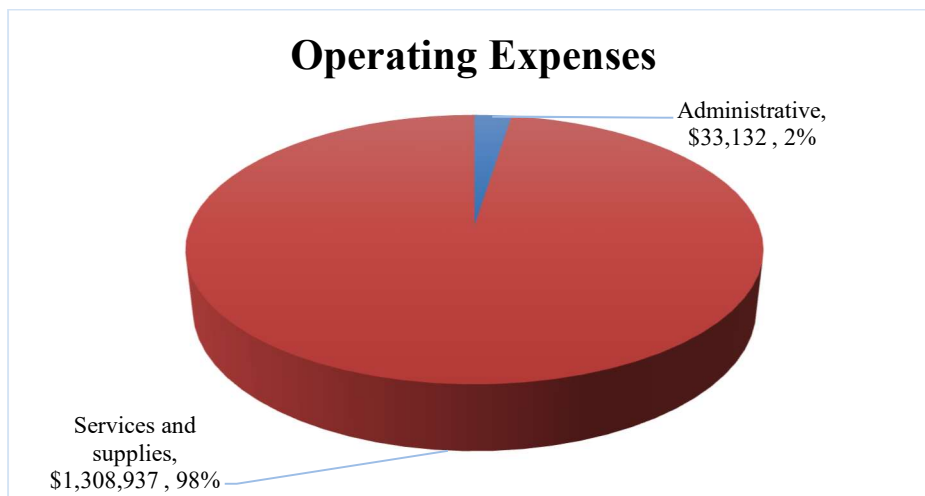
Financial Analysis of NLS as a Whole, *continued*

Operating Expenses
For the years ended June 30, 2019 and 2018

	<u>2019</u>	<u>2018</u>	<u>Increase (Decrease)</u>	<u>Percent Change</u>
Operating expense:				
Administrative	\$ 33,132	\$ 12,057	\$ 21,075	174.8%
Services and Supplies	<u>1,308,937</u>	<u>1,107,180</u>	<u>201,757</u>	18.2%
Total	<u><u>\$ 1,342,069</u></u>	<u><u>\$ 1,119,237</u></u>	<u><u>\$ 222,832</u></u>	19.9%

Operating expenses in the amount of \$1,342,069 were split amongst two major categories; administrative and services and supplies.

The following is a graphic illustration of operating expenses for the year ended June 30, 2019:



Analysis of Net Position
As of June 30, 2019 and 2018

	<u>2019</u>	<u>2018</u>	<u>Increase (Decrease)</u>	<u>Percent Change</u>
Net Position:				
Restricted	\$ 71,730	\$ 71,730	\$ -	0.0%
Unrestricted	<u>1,405,400</u>	<u>1,919,613</u>	<u>(514,213)</u>	-26.8%
Total	<u><u>\$ 1,477,130</u></u>	<u><u>\$ 1,991,343</u></u>	<u><u>\$ (514,213)</u></u>	-26.8%

The decrease in net position of \$514,213 is primarily due to final expenditures of the FY17-19 CLSA Zipbooks Project funds from the State Library.

NorthNet Library System
Management's Discussion and Analysis, *continued*
For the year ended June 30, 2019

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

In considering NLS's Budget for fiscal year 2019-20 the Administrative Council and management used the following criteria:

The key assumptions in our revenue forecast were:

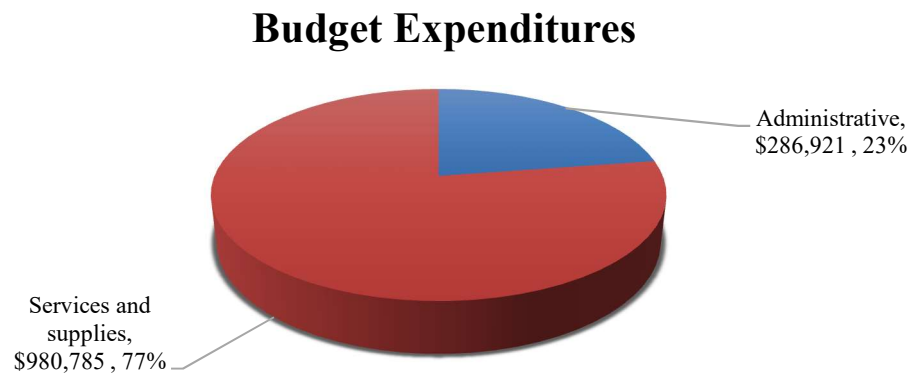
1. Interest earnings are rising steadily.
2. State library and membership fees are expected to be approximately the same.

The adopted budget for the new fiscal year of 2019-20 was \$1,750,868 and is summarized as follows:

	<u>FY 2019-20</u>	<u>FY 2018-19</u>	<u>Percentage change</u>
Expenditures:			
Administrative	\$ 548,661	\$ 268,117	104.6%
Services and supplies	1,202,207	1,336,063	-10.0%
Total Expenditures	<u>1,750,868</u>	<u>1,604,180</u>	9.1%
Total budget	<u>\$ 1,750,868</u>	<u>\$ 1,604,180</u>	9.1%

1. Administrative – Shows a increase of approximately 104.6%, which is mainly due to increases in NLS and PLP contractual services and unused non-CLSA funds in administrative expenses.
2. Services and Supplies – Shows a decrease of approximately 10% due to a decrease in prior year roll-over CLSA funds.

The following is a graphic illustration of appropriations for fiscal year 2019-20:



NorthNet Library System
Management's Discussion and Analysis, *continued*
For the year ended June 30, 2019

Contacting NLS

This financial report is designed to provide our customers and creditors a general overview of NLS's finances and to demonstrate NLS's accountability for the money it receives and is allocated to it. If you have questions about this report, contact the NorthNet Library System, 2471 Flores Street, San Mateo, CA 94403, telephone number (650) 349-5538.

BASIC FINANCIAL STATEMENTS

NorthNet Library System
General Fund Balance Sheet/Statement of Net Position
June 30, 2019

	<u>General Fund</u>	<u>Adjustments (Note 8)</u>	<u>Statement of Net Position</u>	<u>2018</u>
ASSETS				
<u>Current</u>				
Cash and investments:				
Available for operations	\$ 2,003,155	\$ -	\$ 2,003,155	\$ 2,458,721
Accounts receivable	93,789	-	93,789	3,263
Interest receivable	12,433	-	12,433	10,445
Accrued receivable	-	-	-	83,051
Total current assets	<u>2,109,377</u>	<u>-</u>	<u>2,109,377</u>	<u>2,555,480</u>
Total assets	<u>\$ 2,109,377</u>	<u>\$ -</u>	<u>\$ 2,109,377</u>	<u>\$ 2,555,480</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
<u>Current</u>				
Accounts payable and accrued liabilities	\$ 254,610	\$ -	\$ 254,610	\$ 111,728
Deposits payable	350,806	-	350,806	414,562
Total current liabilities	<u>605,416</u>	<u>-</u>	<u>605,416</u>	<u>526,290</u>
Total liabilities	<u>605,416</u>	<u>-</u>	<u>605,416</u>	<u>526,290</u>
Deferred Inflows:				
Unavailable revenue	26,831	-	26,831	37,847
Total Deferred Inflows	<u>26,831</u>	<u>-</u>	<u>26,831</u>	<u>37,847</u>
Fund balances/Net position:				
Committed	71,730	(71,730)	-	-
Unassigned, reported in:				
General fund	1,405,400	(1,405,400)	-	-
Total fund balances	<u>1,477,130</u>	<u>(1,477,130)</u>	<u>-</u>	<u>-</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 2,109,377</u>			
NET POSITION				
Restricted		71,730	71,730	71,730
Unrestricted		1,405,400	1,405,400	1,919,613
Total net position		<u>\$ 1,477,130</u>	<u>1,477,130</u>	<u>1,991,343</u>
Total liabilities, deferred inflows and net position			<u>\$ 2,109,377</u>	<u>\$ 2,555,480</u>

The accompanying notes are an integral part of these basic financial statements

NorthNet Library System
Statement of General Fund Revenues, Expenditures, and
Changes in Fund Balance/Statement of Activities
For the year ended June 30, 2019

	<u>General Fund</u>	<u>Adjustments (Note 9)</u>	<u>Statement of Activities</u>	<u>2018</u>
EXPENDITURES/EXPENSES:				
Administrative	\$ 33,132	\$ -	\$ 33,132	\$ 12,057
Services and supplies	1,308,937		1,308,937	1,107,180
Total operating expenses	<u>1,342,069</u>	<u>-</u>	<u>1,342,069</u>	<u>1,119,237</u>
Special programs:				
Federal	81,241	-	81,241	115,673
State	868,377	-	868,377	-
Total expenditures/expenses	<u>2,291,687</u>	<u>-</u>	<u>2,291,687</u>	<u>1,234,910</u>
REVENUES:				
Program revenues:				
Grants	1,052,609	-	1,052,609	951,790
Library services	350	-	350	40,810
Membership dues	109,467	-	109,467	105,305
Member reimbursements	562,288	-	562,288	432,288
Total program revenues	<u>1,724,714</u>	<u>-</u>	<u>1,724,714</u>	<u>1,530,193</u>
Net program expense	<u>566,973</u>	<u>-</u>	<u>566,973</u>	<u>(295,283)</u>
General revenues:				
Interest	52,760	-	52,760	31,603
Total general revenues	<u>52,760</u>	<u>-</u>	<u>52,760</u>	<u>31,603</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(514,213)</u>			
CHANGE IN NET POSITION		<u>-</u>	<u>(514,213)</u>	<u>326,886</u>
FUND BALANCES/NET POSITION:				
Beginning of the year	<u>1,991,343</u>	<u>-</u>	<u>1,991,343</u>	<u>1,664,457</u>
End of the year	<u>\$ 1,477,130</u>	<u>\$ -</u>	<u>\$ 1,477,130</u>	<u>\$ 1,991,343</u>

The accompanying notes are an integral part of these basic financial statements

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NorthNet Library System
Notes to Basic Financial Statements
For the year ended June 30, 2019

1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The NorthNet Library System (“NLS”) is a Joint Powers Agency under Government Code Section 6500 *et. seq.* established on January 9, 2009 which began operations on July 1, 2009 through a Joint Powers Agreement entered into on May 8, 2009 by the North Bay Cooperative Library System, Mountain Valley Library System and the North State Cooperative Library System. NLS is a library services organization which has the powers necessary to establish, improve and extend library services held by its members and those powers designated in Government Code Section 6508. No single member controls NLS. NLS also delivers library materials to members, provides research services and general education workshops, and training seminars for its members.

NLS is governed by an Administrative Council composed of all of the library directors of library agencies therein. Oversight responsibility, the ability to conduct independent financial affairs, issue debt instruments, approve budgets, and otherwise influence operations and account for fiscal matters is exercised by NLS's Administrative Council. NLS is a separate reporting entity for financial reporting purposes and the accompanying basic financial statements reflect the assets, liabilities, fund balances/net position, revenues, and expenditures/expenses of NLS only.

The Peninsula Library System (PLS) acts as fiscal agent and Treasurer/Controller for NLS and acts as the depository and has custody of the money of NLS and performs those duties required by Government Code sections 6505 and 6505.5. PLS took over these duties on July 1, 2013. More information regarding the contract with PLS is located in Note 5.

The financial statements of NLS have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the more significant policies:

In June 1999, the GASB released Statement No. 34, *Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments*. NLS has selected the single governmental fund (General Fund) presentation since this reflects the most concise and easily readable presentation for NLS’s operations.

A. Reporting Entity

As defined by GASB Statement No.39, *The Financial Reporting Entity*, NLS is not financially accountable for any other entity other than itself, nor are there any other entities for which the nature and significance of their relationship with NLS are such that exclusion would cause NLS’s financial statements to be misleading or incomplete.

In addition, based upon the above criteria, NLS is not aware of any entity which would be financially accountable for NLS which would result in NLS being considered a component of the entity.

NorthNet Library System
Notes to Basic Financial Statements, *continued*
For the year ended June 30, 2019

1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES,
continued

B. Basis of Accounting

The fund-based financial statement columns (Governmental Funds column) on Pages 10 and 11 are accounted for using the modified accrual basis of accounting and reflect balances for NLS's General Fund. This funds revenues are recognized when they become measurable and available as net current assets. Measurable means the amount of the transaction can be determined and available means the amount is collectible within the current period or soon enough thereafter (generally sixty days) to be used to pay liabilities of the current period. Amounts, which could not be measured or were not available, were not accrued as revenue in the current fiscal year. The Statements of Net Position and Activities columns on Pages 10 and 11 have been prepared on the accrual basis of accounting whereby all revenues are recorded when earned and all expenses are recorded when they have been reduced to a legal or contractual obligation to pay.

C. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

D. Budgets

Budgets are prepared on the modified accrual basis of accounting, in which capital assets acquired are recorded as expenditures and depreciation is not recorded.

NLS follows these procedures in establishing the budgetary data reflected in the financial statements:

- By June 30, the proposed budget is presented to the Administrative Council to review and approve for the year commencing July 1. The operating budget includes proposed expenditures and the means of financing them.
- The budget is legally enacted through passage of a motion during a Administrative Council meeting prior to year-end.
- Formal budgeting is employed as a management control device during the year for the general fund.
- Budgets for the General Fund are adopted on a basis consistent with accounting principles generally accepted in the United States of America.

NorthNet Library System
Notes to Basic Financial Statements, *continued*
For the year ended June 30, 2019

1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES,
continued

D. Budgets, *continued*

The legal level of a budgetary control, the amount to which budget should not be exceeded, is the program level.

Budgeted amounts are as originally adopted or as amended by the Administrative Council. Individual amendments were not material in relation to the original appropriations.

E. Cash and Investments

NLS pools cash and investments from all funds for the purpose of increasing income through investment activities. Highly liquid money market investments with maturities of one year or less at time of purchase are stated at amortized cost. All other investments are stated at fair value in accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*. Market value is used as fair value for those securities for which market quotations are readily available.

2. CASH AND INVESTMENTS

The System had the following cash and investments at June 30, 2019:

	FDIC/ SIPC insured	Not rated	Fair Value
Cash deposits - Boston Private Bank & Trust Company	\$ 351,129	\$ -	\$ 351,129
Local Agency Investment Fund (LAIF)	-	1,652,026	1,652,026
Total	<u>\$ -</u>	<u>\$ 1,652,026</u>	<u>\$ 2,003,155</u>

A. Cash Deposits

The System pools cash from all sources. The System invests excess cash in LAIF.

The California Government Code requires California banks and savings and loan associations to secure government cash deposits by pledging securities as collateral. This Code states that collateral pledged in this manner shall have the effect of perfecting a security interest in such collateral superior to those of a general creditor. Thus, collateral is considered to be held in the government's name.

According to California law, the market value of pledged securities with banking institutions must equal at least 110% of the government's cash deposits. California law also allows institutions to secure government deposits by pledging first trust deed mortgage notes having a value of 150% of the government's total cash deposits. The government can waive collateral requirements for cash deposits, which are fully insured up to \$250,000 by the Federal Deposit Insurance Corporation.

NorthNet Library System
Notes to Basic Financial Statements, *continued*
For the year ended June 30, 2019

2. CASH AND INVESTMENTS, *continued*

A. Investments

NLS is authorized by State statutes and Administrative Council action to invest in the following:

- United States Treasury notes, bonds, bills or certificates of indebtedness.
- Registered state warrants or treasury notes or bonds of the State of California.
- Bonds, notes, warrants or other evidences of indebtedness of any local agency within the State of California.
- Obligations issued by banks and guaranteed by federal agency or United States government-sponsored enterprise.
- Negotiable certificates of deposit or time deposits placed with commercial banks and/or savings and loan companies.
- Banker's acceptances.
- Commercial paper.
- California Local Agency Investment Fund (LAIF).

NLS invests in LAIF, an unrated pool, which limits the exposure of the funds to interest rate and credit risk by treating all balances as current.

In accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, investments were stated at fair value using the aggregate method, which includes any adjustments recorded in interest/investment income.

C. Investments in External Investment Pools

NLS' investments with LAIF at June 30, 2019, included a portion of the pool funds invested in structured notes and asset backed securities and similar transactions. These investments may include the following:

As of June 30, 2019, the NLS had \$1,652,026 invested directly in LAIF. LAIF is part of the California Pooled Money Investment Account (PMIA), which at June 30, 2019 has a portfolio with market valuation of \$106,046,468,872. The current average life of the LAIF portfolio as of June 30, 2019 was 173 days.

NorthNet Library System
Notes to Basic Financial Statements, *continued*
For the year ended June 30, 2019

3. DEPOSITS PAYABLE

NLS records payments for services not yet rendered as deposits payable. The deposits payable balance consists of payments made by member systems. The balance at June 30, 2019 consists of the following contributions:

North Bay Cooperative Library System	\$ 202,060
Mountain Valley Library System	148,331
North State Cooperative Library System	<u>415</u>
Total Deposits Payable	<u>\$ 350,806</u>

4. DEFERRED INFLOWS – UNAVAILABLE REVENUE

NLS records payments for services not yet rendered as deferred/unearned revenue. NorthNet expects to recognize \$26,831 of deferred/unearned revenue as earned during the fiscal year 2019-20.

5. RELATED PARTY TRANSACTIONS

NLS contracts with the Peninsula Library Partnership (PLP), as its fiscal agent, for administrative services and/or materials. In compensation for services provided, NLS paid \$152,075 to PLP for the year ended June 30, 2019. These amounts were reported as administration expenses in the Statement of Activities.

6. FUND BALANCES/NET POSITION

Fund Balances consist of the following: Nonspendable, restricted, committed, assigned and unassigned. Nonspendable fund balance consists of investments that will not convert to cash soon enough to affect the current period. Restricted fund balance consists of resources that are subject to externally enforceable legal restrictions imposed by parties altogether outside the government. Committed fund balance consists of amounts that can only be used for specific purposes pursuant to constraints imposed by a formal action of NLS's highest level of decision-making authority. Assigned fund balance consists of amounts where intent is expressed by the governing body itself or a body or official to which the governing body has delegated the authority to assign amounts to be used for specific purposes. Unassigned amounts represent fund balance in the general fund in excess of nonspendable, restricted, committed and assigned fund balance. Currently, the NLS uses only the unassigned category.

	<u>Fund Balance</u>
Committed	\$ 71,730
Unassigned	<u>1,405,400</u>
Total	<u><u>\$ 1,477,130</u></u>

NorthNet Library System
Notes to Basic Financial Statements, *continued*
For the year ended June 30, 2019

6. FUND BALANCES/NET POSITION, *continued*

Net position consists of unrestricted amount. Unrestricted amounts reflect balances available for current operations. At June 30, 2019, NLS had only unrestricted balance:

	<u>Net Position</u>
Restricted	\$ 71,730
Unrestricted	<u>1,405,400</u>
Total	<u><u>\$ 1,477,130</u></u>

7. INSURANCE

NLS purchases catastrophic liability insurance to protect itself from unforeseen losses utilizing a premium based policy.

NorthNet Library System
Notes to Basic Financial Statements, *continued*
For the year ended June 30, 2019

8. EXPLANATION OF DIFFERENCES BETWEEN GOVERNMENTAL FUND BALANCE SHEETS AND THE STATEMENTS OF NET POSITION

“Total fund balances” of NLS’s General fund of \$1,477,130 does not differ from “net position” of governmental activities of \$1,477,130, reported in the Statement of Net Position. A difference may occur from the long-term economic focus of the statement of net position versus the current financial resources focus of the General fund balance sheet. As of June 30, 2019, there was no difference between the long-term economic focus of the statement of net position and the current financial resources focus of the General fund balance sheet. Any effects of this difference would be illustrated below:

Balance Sheet/Statement of Net Position

	General Fund	Reclassifications and Eliminations	Statement of Net Position
Assets:			
Cash and investments	\$ 2,003,155	\$ -	\$ 2,003,155
Accounts receivable	93,789	-	93,789
Interest receivable	12,433	-	12,433
Total assets	\$ 2,109,377	\$ -	\$ 2,109,377
Liabilities:			
Accounts payable and accrued liabilities	254,610	-	254,610
Deposits payable	350,806	-	350,806
Total liabilities	605,416	-	605,416
Deferred Inflows:			
Unavailable revenue	26,831	-	26,831
Total Deferred Inflows	26,831	-	26,831
Fund Balances/Net Position			
Total fund balances/net position	1,477,130		1,477,130
Total liabilities, deferred inflows, and fund balances/net position	\$ 2,109,377	\$ -	\$ 2,109,377

NorthNet Library System
Notes to Basic Financial Statements, *continued*
For the year ended June 30, 2019

**9. EXPLANATION OF DIFFERENCES BETWEEN GOVERNMENTAL FUND
OPERATING STATEMENTS AND THE STATEMENT OF ACTIVITIES**

The “net change in fund balances” for the General fund, (\$514,213), does not differ from the “change in net position” for governmental activities of (\$514,213) reported in the Statement of Activities. A difference may occur from NLS incurring any long term liabilities or depreciation expense. As of June 30, 2019, there was no difference between the long-term economic focus of the statement of activities versus the current financial resources of the general fund. Any effects of the difference would be illustrated below:

**Statement of Revenues, Expenditures, and Changes in
Fund Balances/Statement of Activities**

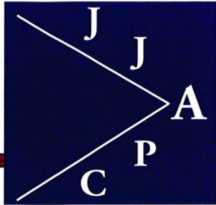
	<u>General Fund</u>	<u>Reclassifications and Eliminations</u>	<u>Statement of Activities</u>
EXPENDITURE/EXPENSES:			
Administrative	\$ 33,132	\$ -	\$ 33,132
Services and supplies	1,308,937	-	1,308,937
Special programs			
Federal	81,241	-	81,241
State	868,377	-	868,377
Total expenditures/expenses	<u>2,291,687</u>	<u>-</u>	<u>2,291,687</u>
REVENUES:			
Program revenues:			
Grants	1,052,609	-	1,052,609
Library services	350	-	350
Membership dues	109,467	-	109,467
Member reimbursements	562,288	-	562,288
Total program revenues	<u>1,724,714</u>	<u>-</u>	<u>1,724,714</u>
Net program expense	<u>566,973</u>	<u>-</u>	<u>566,973</u>
General revenues:			
Interest	52,760	-	52,760
Total general revenues	<u>52,760</u>	<u>-</u>	<u>52,760</u>
REVENUES OVER (UNDER)			
EXPENDITURES	<u>(514,213)</u>		
CHANGE IN NET POSITION		<u>-</u>	<u>(514,213)</u>
FUND BALANCES/NET POSITION			
Beginning of the year	1,991,343	-	1,991,343
End of the year	<u>\$ 1,477,130</u>	<u>\$ -</u>	<u>\$ 1,477,130</u>

REQUIRED SUPPLEMENTARY INFORMATION

NorthNet Library System
Required Supplementary Information
For the year ended June 30, 2019

Budgetary Comparison Schedule
General Fund
For the year ended June 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1, 2018	\$ 1,991,343	\$ 1,991,343	\$ 1,991,343	\$ -
Resources (inflows):				
Grants:				
Federal	118,775	118,775	114,765	4,010
State	1,002,714	831,731	937,844	(106,113)
Other agencies	-	-	350	(350)
Membership dues	110,270	110,270	109,467	803
Membership reimbursements	260,261	260,261	562,288	(302,027)
Interest	21,500	21,500	52,760	(31,260)
Budgeted Fund balance	141,717	141,717	-	141,717
Amounts available for appropriation	1,655,237	1,484,254	1,777,474	(293,220)
Changes to appropriations (outflows):				
Administrative	26,160	26,160	33,132	(6,972)
Services and supplies	1,629,077	1,629,077	1,308,937	320,140
Total charges to appropriations	1,655,237	1,655,237	1,342,069	313,168
Budgetary fund balance, June 30, 2019	\$ 1,991,343	\$ 1,820,360	\$ 2,426,748	\$ (606,388)



JJACPA, Inc.

A Professional Accounting Services Corp.

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Administrative Council
NorthNet Library System
San Mateo, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the basic financial statements of the NorthNet Library System (NLS), as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively NLS's basic financial statements, and have issued our report thereon dated May 21, 2020.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered NLS's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of NLS's internal control. Accordingly, we do not express an opinion on the effectiveness of NLS's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether NLS's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

May 21, 2020

JJACPA, Inc.

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www.plpinfo.org

To: NLS Executive Committee
From: Andrew Yon, Controller
Subject: Review of Draft FY 2020/21 NLS Budget
Date: May 28, 2020

Background

The purpose of this memo is to provide the NLS Executive Committee with a preview and highlights of the NLS FY 2020/21 Budget. The draft NLS Budget is \$1,335,599, which represents a 12.7% decrease from the previous fiscal year's \$1,530,246.

ADMINISTRATION

Revenues:

In 2017, the NLS Administrative Council approved an annual CPI increase to the membership fees, using the December Consumer Price Index (CPI). The CPI in December 2019 was 2.5%, which is reflected on the attached FY 2020/21 membership fees of \$128,961. It should be noted that due to the pandemic, the April CPI was 1.1%. In FY 2019/20 NLS also approved that any contract over \$100,000 include a 5% administrative fee, and contracts below \$100,000 should include a 10% administrative fee. This modified fees structure has been applied to this schedule.

The schedule also reflects the cost for systemwide Link+ contract. Membership base allocations are based in part on population. It is hoped that the California State Library will release the population figures in early June, and the allocation will be reviewed before being presented to the NLS Administrative Council.

The Governor's May Revised Budget includes an approximate 50% reduction to CLSA. As such, the Revenue includes \$83,586 of CLSA System Administration funds. Due to this budget shortfall, \$28,419 of Fund Balance will cover the loss of revenue from System Administration funds. Revenue from grants includes Zip Books and the Prepare to Recover LSTA grant.

Expenditures:

Contractual Services reflects the \$310,366 for the NLS/PLP baseline contract and additional work. The Membership Fees and Dues line item reflects \$11,800 for Califa membership fee. This is slightly reduced from last year with the removal of Dixon. Should the Executive Committee choose to not renew this, these funds will be reallocated.

Please note that the budget does not include the \$50,000 of membership fees which in previous years has been allocated to staff training disbursements to the libraries for \$1,000 each. Should NLS choose to allocate funds, they may consider offering it at a reduced rate, or suspending this for this upcoming fiscal year. Any funds allocated would need to come from Fund Balance.

COMMUNICATIONS AND DELIVERY AND LOCAL

The FY 2020/21 CLSA allocation has been reduced by half to \$334,343 for Communications and Delivery. The budget includes the following elements:

- The allocation for delivery was kept at the same level as the previous budget. NBCLS is negotiating a new contract, and their costs are expected to be approximately 30% higher. The budget reflects local library contributions of \$141,064 for delivery within NBCLS and MVLS.
- Revenue reflects \$97,071 of roll-over OverDrive funds from Perry's Scenario 3 budget (see other attachment about CLSA funds).
- The cost for Communications has increased to more accurately reflect the annual costs, and Office Supplies and Postage have been reduced.
- Perry's memo recommends \$98,600 for OverDrive and \$61,134 for RB Digital Zinio. This leaves \$119,682 to be distributed to libraries for local C&D costs, including Link+, other local eResources, local delivery, telecommunications, etc.

The Committee may consider modifications to the use of roll-over funds and the allocations to OverDrive, Zinio and to libraries.

GRANTS

NLS has been asked to administer the CLSA Zip Books grant for another year. The Governor's budget has eliminated funding for Zip Books, which would be applied to FY 2021/22. It is not known at this time if the State Library may allocate any other funds to support the future of this program. NLS should assume a loss of ongoing revenue for this grant for future budgeting purposes.

The Preparing to Respond and Recover Together grant is an extension of the current disaster planning LSTA grant.

The State Library has not yet determined allocations for PLSEP, so no funding is noted on the budget based on lack of information.

FUND BALANCE and OPERATING RESERVE

The 6/30/20 NLS Fund Balance is estimated to be \$1,350,400. The Operating Reserve Fund is equal to three months of the administrative costs. The NLS Operating Reserve is \$71,730.

FY 2020-21 NorthNet Libraries Dues and Fees

Library & Academic	CSL		Base Dues	Delivery Admin Fee (5%>\$100K, 10%<\$100K)	OverDrive Admin Fee (10%<\$100K)	Zinio Admin Fee (10%<\$100K)	GALE Database Admin Fee (10%<\$100K)	Link+ Admin Fee (5%>\$100K)	Total Member Dues	NBCLS **and MVLS Deliveries (Incl. 3% CPI)	OverDrive	RB Digital	GALE Database	**Link+
	Certified 2019-20 Population Figures	CSL FY17/18 Budget Figures												
Alpine County Library	1,162	\$357,278	\$ 544		\$ 11	\$ 16	\$ 15		\$ 585		\$ 108	\$ 156	\$ 150	
Bel-Tiburon Public Library	11,510	\$2,219,543	\$ 2,175					\$ 150	\$ 2,325					\$ 3,005
Benicia Public Library	27,570	\$2,292,671	\$ 2,175	\$ 946	\$ 239			\$ 198	\$ 3,558	\$ 18,922	\$ 2,391			\$ 3,960
Butte County Library	226,466	\$3,347,582	\$ 3,262		\$ 589	\$ 643			\$ 4,495		\$ 5,893	\$ 6,434		
CSU Chico			\$ 544						\$ 544					
Colusa County Library	22,117	\$1,022,574	\$ 1,087	\$ 501	\$ 13	\$ 70			\$ 1,672	\$ 5,010	\$ 129	\$ 703		
Del Norte County Library Dis	27,401	\$262,381	\$ 544		\$ 47	\$ 41			\$ 631		\$ 465	\$ 406		
El Dorado County Library	191,848	\$3,574,814	\$ 3,262	\$ 251	\$ 988	\$ 682		\$ 896	\$ 6,079	\$ 2,505	\$ 9,883	\$ 6,821		\$ 17,926
Folsom Public Library	79,835	\$1,613,603	\$ 1,087	\$ 1,002	\$ 546				\$ 2,636	\$ 10,019	\$ 5,464			
Humboldt County Library	135,333	\$3,059,589	\$ 3,262		\$ 630	\$ 448			\$ 4,340		\$ 6,298	\$ 4,475		
Lake County Library	65,071	\$1,036,665	\$ 1,087	\$ 2,034		\$ 174			\$ 3,295	\$ 40,674		\$ 1,743		
Larkspur Public Library	12,578	\$835,415	\$ 544					\$ 164	\$ 708					\$ 3,284
Lassen Library District	15,008	\$234,977	\$ 544		\$ 31	\$ 22			\$ 597		\$ 310	\$ 221		
Lincoln Public Library	48,277	\$608,133	\$ 544	\$ 251	\$ 350		\$ -		\$ 1,144	\$ 2,505	\$ 3,496			
Marin County Free Library	143,752	\$17,259,285	\$ 5,437					\$ 1,877	\$ 7,314					\$ 37,537
Mendocino County Library	89,009	\$3,608,756	\$ 3,262	\$ 3,000					\$ 6,262	\$ 59,995				
Mill Valley Public Library	14,675	\$2,553,878	\$ 2,175					\$ 192	\$ 2,366					\$ 3,832
Modoc County Library	9,602	\$276,306	\$ 544		\$ 20	\$ 22			\$ 585		\$ 195	\$ 219		
Mono County Free Library	13,616	\$1,119,455	\$ 1,087		\$ 90	\$ 82			\$ 1,260		\$ 904	\$ 823		
Napa County County Library	134,646	\$8,402,721	\$ 4,244		\$ 808	\$ 934		\$ 723	\$ 6,709		\$ 8,077	\$ 9,335		\$ 14,469
Nevada County Library	98,904	\$3,871,679	\$ 3,183		\$ 823	\$ 675		\$ 390	\$ 5,072		\$ 8,230	\$ 6,754		\$ 7,802
Orland Free Library	15,594	\$393,814	\$ 544		\$ 33	\$ 32			\$ 608		\$ 328	\$ 315		
Placer County Library	208,771	\$7,610,536	\$ 4,244	\$ 251	\$ 1,091	\$ 831			\$ 6,416	\$ 2,505	\$ 10,905	\$ 8,310		
Plumas County Library	22,992	\$529,990	\$ 544		\$ 54	\$ 50			\$ 648		\$ 538	\$ 500		
Roseville Public Library	139,643	\$4,888,785	\$ 3,183	\$ 251	\$ 913		\$ 65		\$ 4,412	\$ 2,505	\$ 9,129		\$ 653	
Sacramento Public Library	1,466,339	\$46,239,406	\$ 5,305	\$ 1,252				\$ 1,216	\$ 7,773	\$ 12,524				\$ 24,318
Sacramento Law			\$ 544						\$ 544					
St. Helena Public Library	6,133	\$1,031,111	\$ 1,087	\$ 691	\$ 106			\$ 44	\$ 1,928	\$ 13,812	\$ 1,061			\$ 881
San Anselmo Public Library	12,902	\$940,622	\$ 544					\$ 168	\$ 712					\$ 3,369
San Rafael Public Library	60,046	\$4,274,236	\$ 3,183					\$ 784	\$ 3,967					\$ 15,679
Sausalito Public Library	7,416	\$927,097	\$ 544					\$ 97	\$ 641					\$ 1,936
Shasta Public Libraries	178,773	\$3,092,471	\$ 3,183		\$ 578	\$ 403			\$ 4,165		\$ 5,783	\$ 4,032		
Siskiyou County Library	44,584	\$717,376	\$ 544		\$ 149	\$ 184			\$ 876		\$ 1,489	\$ 1,837		
Solano County Library	384,673	\$18,288,285	\$ 5,305	\$ 2,412	\$ 1,167			\$ 2,972	\$ 11,855	\$ 48,231	\$ 11,667			\$ 59,444
Sonoma County Library	500,675	\$25,582,810	\$ 5,305	\$ 2,387				\$ 1,348	\$ 9,040	\$ 47,739				\$ 26,955
Sutter County Library	97,490	\$1,560,172	\$ 1,087	\$ 1,002	\$ 190	\$ 299	\$ -		\$ 2,579	\$ 10,019	\$ 1,903	\$ 2,990		
Tehama County Library	64,387	\$469,697	\$ 544		\$ 88	\$ 136			\$ 768		\$ 877	\$ 1,361		
Trinity County Library	13,688	\$359,254	\$ 544		\$ 34	\$ 42			\$ 619		\$ 337	\$ 417		
Willows Public Library	13,539	\$299,055	\$ 544		\$ 27	\$ 22			\$ 592		\$ 266	\$ 217		
Woodland Public Library	60,292	\$1,993,513	\$ 1,087	\$ 1,002	\$ 213	\$ 239		\$ 270	\$ 2,812	\$ 10,019	\$ 2,133	\$ 2,393		\$ 5,392
*Yolo County Library	162,289	\$7,062,982	\$ 4,350	\$ 63				\$ 775	\$ 5,187	\$ 627				\$ 15,501
Yuba County Library	77,916	\$483,312	\$ 544		\$ 34	\$ 67			\$ 645		\$ 341	\$ 670		
Total	4,906,522	\$184,301,829	\$ 83,350	\$ 17,292	\$ 9,860	\$ 6,113	\$ 80	\$ 12,265	\$ 128,961	\$ 287,611	\$ 98,600	\$ 61,134	\$ 803	\$ 245,290

* Reduced Delivery Service

** NBCLS New Vendor Delivery Estimated Pricing

Invoice will be sent to MariNet

Source: California Library Statistics

- 2017-2018 budget (total expenditures from California State Library website)
- 2019-2020 CSL Certification of Population Figures

Base Dues	FY19/20	FY20/21 (2.5% CPI*)
Under 100,000 Pop. And Under \$1,000,000 Budget	\$530	\$544
Under 300,000 Pop. And Under \$2,000,000 Budget	\$1,061	\$1,087
Under 300,000 Pop. And Under \$3,000,000 Budget	\$2,122	\$2,175
Under 200,000 Pop. And Over \$3,000,000 Budget	\$3,183	\$3,262
Under 300,000 Pop. And Over \$5,000,000 Budget	\$4,244	\$4,350
Over 300,000 Pop. Or \$5,000,000 Budget	\$5,305	\$5,437

*BLS Dec 2019 CPI

New Admin Fee for Services (Adopted NLS Exec. Comm. Mtg 8/13/19)

5% Fee for Contracts ≥ \$100K - NBCLS Delivery and Link+

10% Fee for Contracts < \$100K - MVLS Delivery, OverDrive, and Databases

NLS CLSA Funds

FY2020-21 CLSA C & D Funds Estimate Distribution & Invoicing Based on Proposed and Scenario A OverDrive & RB Digital Allocations

Library	CSL Certified Population FY19/20	50% of CLSA FY20/21 \$164,422	50% Base on Population FY20/21 \$164,422	Total CLSA Allocation (Rounded)	NBCLS* and MVLS Deliveries	Proposed OverDrive \$98,600	Scenario A OverDrive Savings \$30,000	Proposed RB Digital \$61,134	Scenario A RB Digital \$32,000	Total Delivery and Proposed OverDrive, & RB Digital	Scenario A Total Delivery and OverDrive, & RB Digital	C & D Funds Local Distribution or Amount to be Invoiced**	Scenario A C & D Funds Local Distribution or Amount to be Invoiced**
Alpine County Library	1,162	4,111	39	\$ 4,149	\$ -	\$ 108	\$ 33	\$ 156	\$ 82	\$ 264	115	\$ 3,885	\$ 4,035
Bel-Tiburon Public Library	11,510	4,111	383	\$ 4,494	\$ -				\$ -	\$ -		\$ 4,494	\$ 4,494
Benicia Public Library*	27,570	4,111	918	\$ 5,029	\$ 18,922	\$ 2,391	\$ 727		\$ -	\$ 21,313	19,649	\$ (16,284)	\$ (14,620)
Butte County Library	226,466	4,111	7,544	\$ 11,655		\$ 5,893	\$ 1,793	\$ 6,434	\$ 3,368	\$ 12,327	5,161	\$ (672)	\$ 6,494
Colusa County Library	22,117	4,111	737	\$ 4,847	\$ 5,010	\$ 129	\$ 39	\$ 703	\$ 368	\$ 5,842	5,417	\$ (995)	\$ (570)
Del Norte County Library Dist.	27,401	4,111	913	\$ 5,023		\$ 465	\$ 141	\$ 406	\$ 213	\$ 871	354	\$ 4,152	\$ 4,669
El Dorado County Library	191,848	4,111	6,391	\$ 10,502	\$ 2,505	\$ 9,883	\$ 3,007	\$ 6,821	\$ 3,570	\$ 19,209	9,082	\$ (8,707)	\$ 1,419
Folsom Public Library	79,835	4,111	2,660	\$ 6,770	\$ 10,019	\$ 5,464	\$ 1,662		\$ -	\$ 15,483	11,681	\$ (8,713)	\$ (4,911)
Humboldt County Library	135,333	4,111	4,508	\$ 8,619		\$ 6,298	\$ 1,916	\$ 4,475	\$ 2,342	\$ 10,773	4,259	\$ (2,154)	\$ 4,360
Lake County Library	65,071	4,111	2,168	\$ 6,278	\$ 40,674		\$ -	\$ 1,743	\$ 912	\$ 42,417	41,586	\$ (36,139)	\$ (35,308)
Larkspur Public Library	12,578	4,111	419	\$ 4,530			\$ -		\$ -	\$ -		\$ 4,530	\$ 4,530
Lassen Library District	15,008	4,111	500	\$ 4,611		\$ 310	\$ 94	\$ 221	\$ 116	\$ 531	210	\$ 4,080	\$ 4,401
Lincoln Public Library	48,277	4,111	1,608	\$ 5,719	\$ 2,505	\$ 3,496	\$ 1,064		\$ -	\$ 6,001	3,569	\$ (282)	\$ 2,150
Marin County Free Library	143,752	4,111	4,789	\$ 8,899			\$ -		\$ -	\$ -		\$ 8,899	\$ 8,899
Mendocino County Library	89,009	4,111	2,965	\$ 7,076	\$ 59,995		\$ -		\$ -	\$ 59,995	59,995	\$ (52,919)	\$ (52,919)
Mill Valley Public Library	14,675	4,111	489	\$ 4,599			\$ -		\$ -	\$ -		\$ 4,599	\$ 4,599
Modoc County Library	9,602	4,111	320	\$ 4,430		\$ 195	\$ 59	\$ 220	\$ 115	\$ 415	174	\$ 4,015	\$ 4,256
Mono County Free Library	13,616	4,111	454	\$ 4,564		\$ 904	\$ 275	\$ 823	\$ 431	\$ 1,727	706	\$ 2,837	\$ 3,858
Napa County Library	134,646	4,111	4,486	\$ 8,596		\$ 8,077	\$ 2,458	\$ 9,335	\$ 4,886	\$ 17,412	7,344	\$ (8,816)	\$ 1,252
Nevada County Library	98,904	4,111	3,295	\$ 7,405		\$ 8,230	\$ 2,504	\$ 6,754	\$ 3,535	\$ 14,984	6,039	\$ (7,579)	\$ 1,366
Orland Free Library	15,594	4,111	519	\$ 4,630		\$ 328	\$ 100	\$ 315	\$ 165	\$ 643	265	\$ 3,987	\$ 4,365
Placer County Library	208,771	4,111	6,955	\$ 11,065	\$ 2,505	\$ 10,905	\$ 3,318	\$ 8,310	\$ 4,350	\$ 21,720	10,173	\$ (10,655)	\$ 893
Plumas County Library	22,992	4,111	766	\$ 4,876		\$ 538	\$ 164	\$ 500	\$ 262	\$ 1,038	425	\$ 3,838	\$ 4,451
Roseville Public Library	139,643	4,111	4,652	\$ 8,763	\$ 2,505	\$ 9,129	\$ 2,778		\$ -	\$ 11,634	5,283	\$ (2,871)	\$ 3,480
Sacramento Public Library	1,466,339	4,111	48,849	\$ 52,959	\$ 12,524		\$ -		\$ -	\$ 12,524	12,524	\$ 40,435	\$ 40,435
St. Helena Public Library	6,133	4,111	204	\$ 4,315	\$ 13,812	\$ 1,061	\$ 323		\$ -	\$ 14,873	14,135	\$ (10,558)	\$ (9,820)
San Anselmo Public Library	12,902	4,111	430	\$ 4,540			\$ -		\$ -	\$ -		\$ 4,540	\$ 4,540
San Rafael Public Library	60,046	4,111	2,000	\$ 6,111			\$ -		\$ -	\$ -		\$ 6,111	\$ 6,111
Sausalito Public Library	7,416	4,111	247	\$ 4,358			\$ -		\$ -	\$ -		\$ 4,358	\$ 4,358
Shasta Public Libraries	178,773	4,111	5,956	\$ 10,066		\$ 5,783	\$ 1,760	\$ 4,032	\$ 2,111	\$ 9,815	3,870	\$ 251	\$ 6,196
Siskiyou County Library	44,584	4,111	1,485	\$ 5,596		\$ 1,489	\$ 453	\$ 1,838	\$ 962	\$ 3,327	1,415	\$ 2,269	\$ 4,181
Solano County Library	413,737	4,111	13,783	\$ 17,894	\$ 48,231	\$ 11,667	\$ 3,550		\$ -	\$ 59,898	51,781	\$ (42,004)	\$ (33,887)
Sonoma County Library	500,675	4,111	16,679	\$ 20,790	\$ 47,739		\$ -		\$ -	\$ 47,739	47,739	\$ (26,949)	\$ (26,949)
Sutter County Library	97,490	4,111	3,248	\$ 7,358	\$ 10,019	\$ 1,903	\$ 579	\$ 2,990	\$ 1,565	\$ 14,912	12,163	\$ (7,554)	\$ (4,805)
Tehama County Library	64,387	4,111	2,145	\$ 6,255		\$ 877	\$ 267	\$ 1,361	\$ 712	\$ 2,238	979	\$ 4,017	\$ 5,276
Trinity County Library	13,688	4,111	456	\$ 4,567		\$ 337	\$ 103	\$ 417	\$ 218	\$ 754	321	\$ 3,813	\$ 4,246
Willows Public Library	13,539	4,111	451	\$ 4,562		\$ 266	\$ 81	\$ 217	\$ 114	\$ 483	195	\$ 4,079	\$ 4,367
Woodland Public Library	60,292	4,111	2,009	\$ 6,119	\$ 10,019	\$ 2,133	\$ 649	\$ 2,393	\$ 1,253	\$ 14,545	11,921	\$ (8,426)	\$ (5,802)
Yolo County Library	162,289	4,111	5,406	\$ 9,517			\$ -		\$ -	\$ -		\$ 9,517	\$ 9,517
Yuba County Library	77,916	4,111	2,596	\$ 6,706	627	\$ 341	\$ 104	\$ 670	\$ 351	\$ 1,638	1,081	\$ 5,068	\$ 5,625
Total	\$ 4,935,586	\$ 164,422	\$ 164,422	\$ 328,843	\$ 287,611	\$ 98,600	\$ 30,000	\$ 61,134	\$ 32,000	\$ 447,345	\$ 349,611	\$ (118,502)	\$ (20,768)

* NBCLS Delivery New Contract Cost is expected to increase 30% or higher

**Negative amount denotes an invoice will be sent to the library

Proposed CLSA Funds Local	\$ 133,775	Proposed Total Invoicing	\$ 252,277	Scenario A CLSA Funds Local	\$ 168,824	Total Invoicing	\$ 189,592
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NorthNet Library System

FY 2020-21 Proposed Budget Summary

Acct		ADMINISTRATION	COMMUNICATION & DELIVERY	LOCAL	TOTAL
<u>Revenue</u>					
3510	Interest Earned	\$35,000			\$35,000
3661	Membership Fees	128,961			128,961
3667	State Library CLSA	151,656	334,343		485,999
3668	LSTA-Indirect	3,680			3,680
3674	Reimbursable from Members		141,064	178,055	319,119
3000	Fund Balance	28,419	97,071	0	125,490
Total Revenue		\$347,716	572,478	178,055	\$1,098,249

<u>Expenditure</u>					
4212	Communication		4,000		4,000
4219	Professional Services				-
4220	Contractual Services	326,366	287,612		613,978
4230	Office Expense		450		450
4233	Postage		1,800		1,800
4235	Special Departmental		279,416	236,550	515,966
4301	Insurance	2,500			2,500
4302	Membership Fees/Dues	11,800			11,800
4303	Travel & Meeting	7,000			7,000
4373	Service Fees	50			50
4445	Reimbursable from Members			178,055	178,055
TOTAL EXPENDITURE		\$347,716	\$573,278	\$414,605	\$1,335,599

Fund Balance and Reserve	Ending 6/30/2019	Ending 6/30/2020	
Fund Balance	\$ 1,405,400	\$ 1,350,400	
Operating Reserves	71,730	71,730	
Total	\$ 1,477,130	\$ 1,422,130	Estimated

NORTHNET LIBRARY SYSTEM
FY 2020-21 PROPOSED BUDGET

ADMINISTRATION (918)

<u>GL Acct</u>	<u>Revenue</u>	Adopted FY 19/20	Proposed FY 20/21	Note
3510	Interest Earned	\$25,000	\$35,000	State Treasurer's LAIF Investment
3661	Membership Fees	142,858	128,961	NorthNet Members (with 2.5% CPI)
3667	CLSA-State Library	156,716	83,586	CLSA System Admin Funds
3667	State Library Grants-Indirect	207,309	68,070	Indirect Costs: Link+ \$ 24,093; ZipBooks \$43,977(NLS \$4,398 & PLP \$39,579)
3668	Federal Grants-LSTA Indirect	16,778	3,680	Prepare to Recover (NLS \$1,099 & PLP \$2,581)
3000	Budgeted Fund Balance	0	28,419	Use of Fund Balance
	TOTAL REVENUE	<u>\$548,661</u>	<u>\$347,716</u>	(36.62%)
	<u>Expenditure</u>			
4220	Contractual Services	\$336,089	\$310,366	NLS/PLP Contract \$130,563+ Add'l Contract Svcs \$179,803
4220	Contractual Services	190,962	16,000	Annual Single Audit Services
4301	Insurance	2,500	2,500	Professional Liability Insurance
4302	Membership Fees & Dues	12,060	11,800	Califa Membership Fees for Members
4303	Travel & Meeting	7,000	7,000	Annual Meeting
4373	Service Fees	50	50	Bank Fees
	TOTAL EXPENDITURE	<u>\$548,661</u>	<u>\$347,716</u>	(36.62%)

NORTHNET LIBRARY SYSTEM
FY 2020-21 PROPOSED BUDGET

COMMUNICATION & DELIVERY (916)

<u>GL Acct</u>	<u>Revenue</u>	Adopted FY 19/20	Proposed FY 20/21	Note
3667	CLSA State Library	\$663,402	\$334,343	CLSA C & D Funds
3674	Reimbursable Costs	85,875	141,064	NBCLS & MVLS Deliveries (\$287,612 - \$146,548 CLSA Funds)
3000	Fund Balance - CSLA	200,000	97,071	FY19/20 Roll-Over Unused OverDrive Funds
	TOTAL REVENUE	<u>\$949,277</u>	<u>\$572,478</u>	(39.69%)
	<u>Expenditure</u>			
4212	Communication	\$2,500	\$4,000	Conferencing Services; Website Hosting \$2,500
4220	Contractual Services	232,423	287,612	MVLS (\$58,238) and NBCLS (\$229,374) Delivery Services
4230	Office Supplies	1,200	450	
4233	Postage	1,800	1,000	USPS, UPS, FedEx, USPS
4234	Special Departmental	\$511,354	\$182,345	CLSA allocation for members (\$119,682), OverDrive (\$1,529) & Zinio (\$61,134)
4234	Special Departmental	\$200,000	\$97,071	FY19/20 Roll-Over OverDrive for FY20/21
	TOTAL EXPENDITURE	<u>\$949,277</u>	<u>\$572,478</u>	(39.69%)

NORTHNET LIBRARY SYSTEM
FY 2020-21 PROPOSED BUDGET

LOCAL (915)

<u>GL Acct</u>	<u>Revenue</u>	Adopted FY 19/20	Proposed FY 20/21	Note
3674	Reimbursable Costs	\$142,849	\$159,734	OverDrive Collection \$98,600; RB Digital \$61,134
3674	Reimbursable Costs	20,965	18,321	Gale Databases-Chilton Library \$803; ProQuest \$17,518
3674	Reimbursable Costs	60,915	236,550	Member Libraries Link+ Cost Reimbursements
3000	Fund Balance - CSLA	89,116	0	Note- FY18/19 CLSA Roll-Over OverDrive Allocation
TOTAL REVENUE		<u>\$313,845</u>	<u>\$414,605</u>	32.11%
<u>Expenditure</u>				
4445	Reimbursable-Library Expenses	\$142,849	\$159,734	OverDrive Collection \$98,600 ; RB Digital \$61,134
4445	Reimbursable-Library Expenses	20,965	18,321	Gale Databases-Chilton Library \$803; ProQuest \$17,518
4234	Special Departmental	\$150,031	\$236,550	Link+ Year 2 Cost (Total cost \$245,290, Link+ grant funds (\$8,740)
TOTAL EXPENDITURE		<u>\$313,845</u>	<u>\$414,605</u>	32.11%

NORTHNET LIBRARY SYSTEM
FY 2020-21 PROPOSED BUDGET

Grants

Preparing to Respond and Recover Together

<u>GL Acct</u>	<u>Revenue</u>	Adopted FY 19/20	Proposed FY 20/21	Note
3668	Federal Grants-LSTA	\$0	\$86,320	LSTA Grant
	TOTAL REVENUE	\$0	\$86,320	100.00%

Expenditure

4220	Contractual Service	\$0	\$86,320	
	TOTAL EXPENDITURE	\$0	\$86,320	100.00%

Link+ CLSA Grant
(5/2019 to 12/31/2020)

<u>GL Acct</u>	<u>Revenue</u>	Adopted FY 19/20	Proposed FY 20/21	Note
3667	CLSA State Library	\$213,000	\$250,393	
	TOTAL REVENUE	\$213,000	\$250,393	17.56%

Expenditure

4220	Contractual Service	\$213,000	\$250,393	Link+ Delivery Services Libraries
	TOTAL EXPENDITURE	\$213,000	\$250,393	17.56%

NORTHNET LIBRARY SYSTEM
FY 2020-21 PROPOSED BUDGET

ZIP BOOKS Statewide Expansion Project
CLSA Grant FY2020-21

<u>GL Acct</u>	<u>Revenue</u>	Adopted FY 19/20	Proposed FY 20/21	Note
3667	CLSA State Library	\$ 956,938	\$ 956,023	
	TOTAL REVENUE	\$ 956,938	\$ 956,023	(0.10%)
	<u>Expenditure</u>			
4112	Salaries and Benefits-Grants	\$ -	\$ 54,632	Project Staff
4220	Contractual Service	102,154	78,186	Contract Services
4238	Library Materials	821,316	818,055	Library Materials
4250	Misc Supplies and Other	25,318	1,000	Meeting Supplies
4303	Travel & Meeting	8,150	4,150	Travel
	TOTAL EXPENDITURE	956,938	956,023	(0.10%)

NorthNet Library System
NBCLS, MVLS, & NSCLS
FY 2020-21 Proposed Budget Summary

Acct		NBCLS	MVLS	NSCLS	TOTAL
<u>Revenue</u>					
3510	Interest Earned	\$4,000	\$3,000		\$7,000
3674	Reimbursable from Members	2,100		\$77,524	79,624
3000	Fund Balance	77,922	(2,650)		75,272
Total Revenue		\$84,022	\$350	\$77,524	\$161,896
<u>Expenditure</u>					
4448	Reimbursable-Retiree Benefits	\$84,022	\$350	\$77,524	\$161,896
TOTAL EXPENDITURE		\$84,022	\$350	\$77,524	\$161,896

NorthNet Library System
NBCLS, MVLS, & NSCLS
FY 2020-21 Proposed Budget

North Bay Cooperative Library System (921)

<u>GL Acct</u>	<u>Revenue</u>	Adopted FY 19/20	Proposed FY 20/21	Note
3000	Budgeted Fund Balance	\$74,850	\$77,922	NBCLS Fund Balance
3510	Interest Income	5,947	4,000	
3674	Reimbursement-retirees	-	2,100	
	TOTAL REVENUE	<u>\$80,797</u>	<u>\$84,022</u>	3.99%
<u>Expenditure</u>				
4448	Reimbursable-Retiree Benefits	\$80,797	\$84,022	CalPERS UAL \$81,572, Medical \$2,100 and GASB Report \$350
	TOTAL EXPENDITURE	<u>\$80,797</u>	<u>\$84,022</u>	3.99%

Note: CalPERS Unfunded Liability cost reflects the \$ 81,572 for lump-sum prepayment option

Fund Balance as of 6/30/19	\$ 169,245	
Interest Income	\$ 4,500	
FY19/20 Expenditure	(\$81,922)	
Fund Balance as of 6/30/20	\$ 91,823	Estimated

Mountain Valley Library System (922)

<u>GL Acct</u>	<u>Revenue</u>	Adopted FY 19/20	Proposed FY 20/21	Note
3000	Fund Balance	\$24,171	(\$2,650)	MVLS Fund Balance Credit
3510	Interest Income	4,335	3,000	
	TOTAL REVENUE	<u>\$28,506</u>	<u>\$350</u>	(98.77%)
<u>Expenditure</u>				
4448	Reimbursable-Retiree Benefits	\$29,198	\$350	GASB Report (\$350)
	TOTAL EXPENDITURE	<u>\$28,506</u>	<u>\$350</u>	(98.77%)

Fund Balance as of 6/30/19	\$ 127,621	
Interest Income	\$ 3,500	
FY19/20 Expenditure	\$ (60,350)	Incl. \$60,000 Early Prepayment of CalPERS UAL
Fund Balance as of 6/30/19	\$ 70,771	Estimated

North State Cooperative Library System (923)

NorthNet Library System
NBCLS, MVLS, & NSCLS
FY 2020-21 Proposed Budget

<u>GL Acct</u>	<u>Revenue</u>	Adopted FY 19/20	Proposed FY 20/21	Note
3674	Reimbursement from Members	\$70,386	\$77,524	CalPERS UAL \$77,174; GASB Report \$350
	TOTAL REVENUE	\$70,386	\$77,524	10.14%
	<u>Expenditure</u>			
4448	Reimbursable-Retiree Benefits	\$70,386	\$77,524	CalPERS UAL \$77,174; GASB Report \$350
	TOTAL EXPENDITURE	\$70,386	\$77,524	10.14%

Note: CalPERS Unfunded Liability cost reflects the \$ 77,524 for non-prepayment option (Prepayment Option \$74,607)