

## NLS Executive Committee Meeting

October 13, 2021

1:00 p.m.

ZOOM MEETING

Join Zoom Meeting

<https://us02web.zoom.us/j/88158914960?pwd=RmtmSGRiT3pVK1paYXFgVdDTUU1Odz09>

Meeting ID: 881 5891 4960

Passcode: 279438

Phone: +1 669 900 6833

- |  |                |                    |
|--|----------------|--------------------|
| <b>1. Welcome and Roll Call</b>  | Olawski, Chair |                    |
| <b>2. Public Invited to Comment</b>  | Olawski        |                    |
| <b>3. Approval of Consent Calendar (Action Item)</b>                               |                |                    |
| A. Adoption of Agenda  | Olawski        |                    |
| B. Approve Minutes of September 21, 2021   | Brinkley       | Attachment 1, p. 3 |
| <b>4. Old Business</b>   |                |                    |
| A. Approval of RFP for NLS Fiscal and Administrative Services <b>(Action Item)</b> | Olawski        | Attachment 2, p. 7 |
| B. CLSA Consultant Update  | Olawski        |                    |
| C. Approve Library-to-Go Committee Chair Job Responsibilities <b>(Action Item)</b> | Fink           | Attachment 3 p. 14 |
| D. Recovering Together Update  | Brinkley       |                    |
| E. Approve Book-Club-in-a-Box Funding Request <b>(Action Item)</b>                 | Brinkley       | Attachment 4 p. 16 |
| <b>5. New Business</b>   |                |                    |
| A. Explanation of NLS Reserves   | Yon            | Attachment 5 p. 17 |
| B. Discussion: Ideas for FY 2022-23 LSTA Proposals                                 | Olawski        |                    |
| C. Agenda Building for Mid-Year Administrative Council Meeting<br>January 28, 2022 |                |                    |
| i. NLS Universal Borrowing Policy – Ad Hoc Committee                               | Bankhead       |                    |
| ii. State Library Liaison Report   |                |                    |

iii. Guest Speaker – Jayanti Addleman – Advocacy

- D. NLS Annual Administrative Council Meeting Guest                      Deck  
Speaker/Topic Discussion

**6. System Chair Report**

**7. Announcements**

- A. CLSA Board Meeting – November 5, 2021  
B. Brown Act and NLS Meetings

**8. Agenda Building for April 25, 2022 NLS Executive Committee meeting and location**

**9. Adjournment**

**Brown Act:** 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) agendas must be posted at all teleconference locations and the meeting must be conducted in a manner that protects the statutory and constitutional rights of the parties or public appearing before the body;
- (4) each teleconference location must be identified in the notice and agenda and each location must be accessible to the public;
- (5) during the teleconferenced meeting, at least a quorum of the members of the legislative body must participate from locations within the boundaries of the body's jurisdiction; and
- (6) the agenda must provide the public with an opportunity to address the legislative body at each teleconference location. Cal. Gov't Code § 54953(b).

**Meeting Locations**

NLS Administrative Office, 32 West 25<sup>th</sup> Avenue, Suite 201, San Mateo, CA 94403

El Dorado County Library, 345 Fair Lane, Placerville, CA 95667

Humboldt County Library, 1313 3<sup>rd</sup> Street, Eureka, CA 95501

Mendocino County Library Administrative Offices, 880 N. Bush Street, Ukiah, CA 95482

Mono County Free Library, 400 Sierra Park Road, Mammoth Lakes, CA 93546

Napa County Library, 580 Coombs Street, Napa, CA 94559

Nevada County Library, 980 Helling Way, Nevada City, CA 95959

Solano County Library, 1150 Kentucky Street, Fairfield, CA 94533

Tehama County Library, 545 Diamond Avenue, Red Bluff, CA 96080

Yolo County Library, 226 Buckeye, Woodland, CA 95695



## DRAFT MINUTES

### NLS Executive Committee Special Meeting

September 21, 2021

1. **Welcome and Roll Call** – Chair Suzanne Olawski, Solano County, called the meeting to order at 1:01 p.m. Also present were NLS Executive Committee members Chris Cooper, Humboldt County; Deb Fader Samson, Mendocino County; Christopher Platt, Mono County; Anthony Halstead, Napa County; Nick Wilczek, Nevada County; Todd Deck, Tehama County; and Mark Fink, Yolo County. Also attending were NLS fiscal and administrative support, Andrew Yon, Pacific Library Partnership; and Jacquie Brinkley, NLS/Pacific Library Partnership.

2. **Public Invited to Comment** - No Public comment provided.

3. **Approval of Consent Calendar** – Motion to approve the Consent Calendar.

**Fink moved; Fader Samson seconded. Vote taken by roll call, all votes in favor, motion passed unanimously.**

4. **Old Business**

#### **A. Library-To-Go Ad Hoc Subcommittee Update**

Fink reviewed recommendations related to improving communications between NLS Executive Committee and the Library-To-Go Committee. Fink noted that current Library-To-Go Chair, Michael Perry, had put out a call for volunteers from the Library-To-Go Committee to take on the Chair position upon rotation at end of this calendar year, but he received no responses. Perry will make a general call to NLS Directors to consider the position. Fink and Ad Hoc Subcommittee suggested a co-chairing of the consortia committee and asked if any Executive Committee members would be interested. Fink stated that the Ad Hoc Subcommittee considered their role as making the recommendations, but not necessarily doing the work.

Olawski asked Fink to prioritize the recommendations.

Fink enumerated recommended items 1-5 as the highest priority.

The Library-To-Go Committee should:

1. Draft a Collection Development Policy;
2. Establish a formal quarterly reporting process for consortia to report to the Executive Committee;
3. Draft a Collection Management Policy;

4. Appoint Co-Chairs for the Committee; and,
5. Obtain input from the NLS Executive Committee of preliminary budget information related to funding of the shared NLS OverDrive collection.

Deck stated that having a collection development policy will be a very helpful tool. Deck offered to consider Co-Chair position.

Halstead asked if other staff could participate on Library-To-Go Committee. Deck confirmed that collection development librarians currently serve on the Library-To-Go Committee and have been an asset to the group.

Fink noted that another recommendation is that the Library-To-Go Committee draft a scope of work for Library-To-Go Committee members. Fink also stated that Link+ has a Collection Committee liaison to the Link+ Executive Committee and might be a good model for the NLS consortia to use.

**Motion to accept the recommendations put forth by the Ad Hoc Subcommittee with priorities as noted (#1-#5) and with the goals of shared responsibility and policy development and to establish best practices.**

**Olawski moved; Platt seconded. Vote taken by roll call, all votes in favor, motion passed unanimously.**

#### **B. Approve CLSA Consultant Proposed Scope of Work**

Brinkley reviewed the proposal received from Library Solutions, LLC and stated that based on this consultant's experience and knowledge of California public libraries and CLSA, and years of practice in interpreting and implementing CLSA regulations for multiple California public library systems, staff feels confident in their qualifications for the NLS work as outlined by the Executive Committee. Brinkley noted that if the Executive Committee agreed that the qualifications were met, a formal Request for Proposal/Quote would not be required and the work could begin as soon as a contract was signed. Brinkley also noted that the NLS Executive Committee had approved an amount up to \$25,000 for this work and this proposal was under that amount at \$24,750. Brinkley asked that if the Executive Committee were to approve this proposal, that they consider authorizing the PLP CEO and the NLS Chair to enter into contract with Library Solutions as per Scope of Work provided.

**Motion to accept Scope of Work from Library Solutions, LLC and to authorize PLP CEO and NLS Chair to enter into contract for work as proposed.**

**Deck moved; Fader Samson seconded. Vote taken by roll call, all votes in favor, motion passed unanimously.**

## **5. New Business**

### **A. Finance**

#### **1. Review and Approval of CLSA 2020-21 Annual Report**

Yon presented the NLS 2020-21 Annual Report and noted that this is the required reporting of NLS annual expenditures and is submitted to the California State Library and the California Library Services Board.

**Motion to accept and approve the CLSA 2020-21 Annual Report.**

**Fader Samson moved; Olawski seconded. Vote taken by roll call, all votes in favor, motion passed unanimously.**

#### **2. Review and Approval of CLSA 2020-21 System Expenditure Report**

Yon presented the report and explained that this budget report supports the narrative of the Annual Report. Yon noted that there was a \$36,781 rollover of funds to the NLS 2021-22 OverDrive budget.

**Motion to accept and approve the NLS CLSA 2020-21 System Expenditure Report.**

**Olawski moved; Fink seconded. Vote taken by roll call, all votes in favor, motion passed unanimously.**

#### **3. Review and Approval of CLSA 2021-22 Amended Plan of Service**

Yon presented the NLS Amended Plan of Service and noted that this is an amended plan to reflect the restoration of CLSA funding in the 2021-22 State Budget.

**Motion to accept and approve the CLSA 2021-22 Amended Plan of Service.**

**Platt moved; Halstead seconded. Vote taken by roll call, all votes in favor, motion passed unanimously.**

#### **4. Review and Approval of CLSA 2021-22 System Detailed Budget**

Yon presented the 2021-22 System Detailed Budget with restored CLSA funds and explained that this report shows the source of funds for the NLS budget.

Cooper asked about the Indirect funds. Olawski stated that these funds are for the administration of contracts and grants. Yon noted Indirect is shared between PLP and NLS.

**Motion to accept and approve the CLSA 2021-22 System Detailed Budget.**

**Fink moved; Olawski seconded. Vote taken by roll call, all votes in favor, motion passed unanimously.**

**6. Chair Report**

Olawski expressed her concern with on-going wildfires and impact to NLS member libraries.

**7. Announcements**

Deck asked for suggested or requested topics for the NLS Annual Meeting. The Mid-Year Meeting speaker has been confirmed – Jayanti Addleman. Deck will make suggestions at the October Executive Committee meeting.

Fink reported that the ground-breaking had been made for the new Yolo Branch Library to open in one year.

Brinkley shared that PLP was looking into impact of AB 361 Brown Act meeting regulations and how that will affect teleconference meetings for systems. Executive Committee members are each talking with their County counsel for guidance, as well.

**Meeting adjourned at 1:39 p.m.**



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[www.northnetlibs.org](http://www.northnetlibs.org)

## NORTHNET LIBRARY SYSTEM

### REQUEST FOR PROPOSAL

### ADMINISTRATIVE AND FISCAL SERVICES EFFECTIVE JULY 1, 2022

#### I. INTRODUCTION

##### A. Purpose

The NorthNet Library System (NLS), hereafter referred to as NorthNet, is seeking proposals from qualified contractors for administrative and fiscal services. Proposals will be judged on the ability to maintain service standards, staff qualifications, costs, and contracting experience. All responses should address experience in delivering the service as well as how the service will be delivered. NorthNet reserves the right to accept or reject all or part of any proposals.

##### B. Submission of responses

Prospective contractors should submit proposals by **4:00 p.m., Friday, February 4, 2022**, to:

NorthNet Library System  
Attn: Suzanne Olawski, Chair  
Solano County Library  
1150 Kentucky Street  
Fairfield, CA 94533  
Phone: 707-784-1500  
E-mail: [seolawski@solanocounty.com](mailto:seolawski@solanocounty.com)

Proposals may be hand-delivered, mailed, or sent as an e-mail attachment in MS Word or Adobe pdf format. The responsibility for timely delivery is wholly on the sender.

#### II. BACKGROUND

The NorthNet Library System consists of 40 public library members and two affiliated academic and institutional libraries. This makes it the largest cooperative library system in the State of California. A complete list of members can be found here: <http://northnetlibs.org/about-nls/council-member-roster/>. Prior to the formation of NorthNet, all member libraries belonged to one of three smaller systems: North Bay Cooperative Library System, Mountain Valley Library System, and North State Cooperative Library System. These "legacy" systems merged to form NorthNet Library System via a Joint Powers Agreement (JPA) in 2009 and still meet occasionally. Previously, these systems had CalPERS employees (none of them have any current employees), and the systems each have CalPERS obligations.



Member libraries participate fully in all aspects of NorthNet services and programs. NorthNet policies and financial matters are controlled by an Administrative Council consisting of the director (or delegated representative) of each member library. These directors govern NorthNet, authorized by the JPA. The Executive Committee is responsible for policy and oversight between meetings of the Administrative Council.

The Pacific Library Partnership (PLP) currently serves as the NorthNet fiscal and administrative agent, and the terms of the contract will expire June 30, 2022. There are no dedicated staff members employed by NorthNet.

The contractor will report directly to the position of Chair of the NorthNet Administrative Council.

NorthNet services and programs are funded from several sources, including: State funds authorized by the California Library Services Act (CLSA), member fees from NorthNet, fees for delivery services or other contracts performed for member and non-member libraries, and through LSTA grants for programs. Total revenue expected in FY 2021/2022 is approximately \$1,460,000. The NorthNet Administrative Council approved dues rate increase(s) to match CPI annually.

### **III. SCOPE**

#### **Administrative**

1. Prepare Plan of Service and Annual Report in compliance with the requirements of CLSA as administered by the California State Library.
2. Maintain and report records in compliance with CLSA and other applicable State and Federal requirements.
3. Coordinate NLS bi-annual Administrative Council meetings and NLS Executive Committee meetings (approximately four times per year), and maintain regular communications with NLS Chair and Executive Committee. These meetings may be in person, via conference call, or via teleconference. Prepare and distribute agenda packets and minutes.
4. Coordinate Council meetings for the three legacy systems, and maintain regular communications with those Chairs. These meetings may be in person, via conference call, or via teleconference. Prepare and distribute agenda packets and minutes.
5. Provide staff support for NLS Administrative Council, NLS Executive Committee, and Legacy System meetings.
6. Distribute legislative, CLSA, and other State Library correspondence.
7. Respond to communications and requests from members.
8. Track CalPERS information, communicate with legacy systems as needed, and communicate with the California Public Employees Retirement System (CalPERS) regarding NLS legacy system former employees. Handle all payments to CalPERS and ensure proper billing to libraries for their portion of unfunded liabilities. Adhere to the cost-share formulas for each legacy system, and make adjustments as needed.
9. Administer and evaluate NorthNet system contracts.
10. Maintain all rosters, listservs, directories, electronic records, and archives.
11. Maintain and coordinate hosting for the NLS website.
12. Pursue new funding opportunities.
13. Represent and advocate for NLS regionally and statewide.
14. Negotiate necessary purchasing/contracting opportunities with vendors, consultants, and other systems or regions, including services authorized and funded by CLSA.



15. Support special projects and activities not mandated by CLSA as determined by NLS Administrative Council.
16. Monitor Statement of Economic Interests (CA State form 700) to ensure filings are completed and accurate.
17. For additional fees, as negotiated, Administrative and Fiscal services contractor may offer program, grant development, or other services for sub-groups of member libraries or for individual members.
18. Provide coordination between member libraries, NorthNet Library System, and other organizations as needed for system initiatives.
19. Attend California Library Services Board and California State Library meetings to represent NorthNet. Advocate on behalf of NorthNet.

## **Fiscal**

1. Act as system's financial manager, establishing and maintaining separate accounts for all NLS funds.
2. Develop an annual NorthNet budget in collaboration with NLS Executive Committee and approved by the NorthNet Administrative Council. The budget will include programs or services to be provided in the subsequent fiscal year.
3. Develop an annual budget for each of the three legacy systems in collaboration with respective Chair and approved by the legacy system Councils. The budget will include programs or services to be provided in the subsequent fiscal year.
4. Monitor budgets and prepare regular status reports.
5. Arrange for the receipt and deposit of State funds, member fee funds, and other fees or revenues whether by grant application, invoice, or other means.
6. Prepare claim forms for member libraries to submit.
7. Prepare and execute payments on behalf of NLS to approved vendors, contractors, consultants, member libraries, and others for services rendered, in compliance with budget.
8. Invoice members and other customers for services.
9. Prepare 1099s for contractors.
10. Prepare the CLSA Plan of Service, System Detailed Budget, Annual Report, and Expenditure Report, and ensure all expenditures comply with the California State Law's regulations for acceptable use of CLSA funds.
11. Provide comprehensive revenue expenditure and reserve financial reports in accordance with requirements of CLSA or other State Library legislation and generally accepted accounting principles.
12. Maintain fiscal files and records as required by State and Federal laws and retention policies.
13. Prepare annual reports for Special Districts to State Controller.
14. Arrange for annual independent financial audit.
15. Prepare annual statements of LAIF (Local Agency Investment Fund) interest earned.

## Timeline

Applicants should submit a written proposal that includes a resume or resumes of the principal(s) involved, references from past projects, proposed methodology, and all charges and explanations thereof by **4:00 p.m., Friday, February 4, 2022.**

If necessary, oral interviews may be convened for some or all applicants. The NorthNet Executive Committee will select a contractor and notify all applicants no later than February 18, 2022. The contractor should be available for preliminary discussions with the NorthNet Chair and Vice-Chair and current fiscal/administrative agent no later than March 4, 2022. Please see Attachment #1 for further information.

Questions regarding the project will be accepted until January 3, 2022, and must be submitted in writing via mail or e-mail to:

NorthNet Library System  
Attn: Suzanne Olawski, Chair  
Solano County Library  
1150 Kentucky Street  
Fairfield, CA 94533  
Phone: 707-784-1500  
E-mail: [seolawski@solanocounty.com](mailto:seolawski@solanocounty.com)

#### **IV. PROPOSAL REQUIREMENTS**

##### **A. General Instructions**

The proposal should be concise and demonstrate the contractor's qualifications and applicable experience. The written proposal must include a discussion of the contractor's approach to the project, a breakdown and explanation of tasks, and an estimate of costs. Organizations submitting proposals should also include documentation including proof of legal status, structure, and a copy of the last annual report.

##### **B. Contents shall include:**

1. Executive summary.
2. Identification of the contractor, including addresses of office(s) and the name, title, address, and phone number of a contact person.
3. Experience and technical competence.
4. References to similar projects, with contact information of the organization(s) for which work was performed.
5. Proposed method to accomplish the work.
6. Project organization and key personnel. Include resumes and/or job descriptions of key personnel.
7. Cost details. As appropriate, outline all additional costs such as materials, photocopies, printing, and other related expenses.
8. Names and qualifications of subcontractors.

#### **V. OTHER CONSIDERATIONS**

##### **A. Compensation**

Upon contract award, contractor will invoice NorthNet quarterly for services provided.

##### **B. Ownership of Materials**

All materials developed, data collected, and reports prepared under the terms of this agreement will become the property of the NorthNet Library System.

##### **C. Eligible Applicants**

Public corporations, libraries, agencies, organizations, associations, and individuals may submit proposals in response to this Request for Proposal for provision of Administrative and Fiscal Services.

##### **D. Term of Contract**

Contract to be awarded for a three-year term, with up to two two-year renewals.

## VI. EVALUATION OF PROPOSALS

### A. Evaluation process

Each proposal will be evaluated to determine its responsiveness to the criteria, requirements, and standards as described in this Request for Proposal. NorthNet reserves the right to reject any or all proposals. Nothing herein requires the awarding of a contract in response to this Request for Proposal.

NorthNet may request clarifying documentation and information from any applicant after the responses have been submitted. Such documentation and/or information will be used to assist interpretation of the response and must be received within one week after it is requested. If necessary, oral interviews may be convened for some or all applicants.

### B. Evaluation criteria

Proposals will be evaluated using the following criteria, which are not in priority order:

1. Clear understanding of the purpose and scope of the contract.
2. Experience, expertise, and professional credentials of proposed staff in the design and conduct of similar contracts.
3. Ability, capacity, and skills of the applicant to perform the service.
4. Reputation, judgment, and quality of performance of the applicant in performing tasks of a similar nature.
5. Appropriateness of the methodology proposed to the desired outcomes of the project.
6. Clear and feasible work plan that is responsive to the requirements and timelines of the Request for Proposal.
7. Organization's willingness to do both Administrative and Fiscal Services.
8. Cost.

**ATTACHMENT #1 – Proposed transition timeline**

**Administrative and Fiscal Management Services-Transition  
February 2022 – August 2022**

<b>TASK</b>	<b>DATE</b>	<b>BY</b>
New fiscal and administrative agent(s) selected	February	Exec Committee /Council
Sign contract	February	Chair, Executive Committee
Modify JPA Bylaws to reflect change in fiscal agent	February	Exec Committee /Council
Need resolution to have new fiscal agent as authorized signers	February	Exec Committee /Council
Meet with current administrator	February	New Administrator/Fiscal Agent
Set up accounting system	March	New Administrator/Fiscal Agent
Review current contracts and vendors	March	New Administrator/Fiscal Agent
Review fiscal statements for FY21/22	March	New Administrator/Fiscal Agent
Open checking account	March	New Administrator/Fiscal Agent
Apply for credit card	March	New Administrator/Fiscal Agent
Enter FY22/23 budget	April	New Administrator/Fiscal Agent
Prepare all FY22/23 contracts	April	New Administrator/Fiscal Agent
Order checks/invoices with new address	April	New Administrator/Fiscal Agent
Notify the State Library regarding changes in administration	May	PLP
Notify all NorthNet members regarding changes in Administrative and Fiscal Services	May	PLP
Move admin files to new office	May	PLP
Prepare FY22/23 membership and other invoices	May	PLP
Notify vendors of address change	May	PLP
Transfer balance from current fiscal agent to new account	May	PLP
Add new fiscal agent to LAIF account	May	PLP
Provide log in info for Website support and ListServ	May	PLP
Transfer Listserv hosting responsibilities	May	PLP
Change UPS accounts	May	PLP
Transfer fund from current account to new bank account	June	PLP
Close FY21/22 books and prepare for audit	August	PLP

### **NLS Library-to-Go Chair Responsibilities**

The Library-to-Go Chair position shall be for a two-year term, and may be renewed for an additional two years.

The Library-to-Go Chair position must be approved by the NLS Executive Committee and adopted by the NLS Administrative Council. The Chair position may be shared by two Co-Chairs.

The responsibilities of the Chair/Co-Chairs include:

1. Library-to-Go Member Libraries
  - Ensure effective communication through the list-serv
  - Work with the Library-to-Go Committee to establish and/or clarify expectations for libraries that participate in the shared NLS OverDrive collection regarding the length of their commitment
  - Work with the Library-to-Go Committee to develop a scope of work for its members
  - Ensure for succession planning and preservation of institutional knowledge
  - Update the contacts on the list-serv on a regular basis (annually or more frequently)
2. Monthly meetings
  - Set the agenda, and identify a note taker
  - Ensure the work of the Committee reflects the NLS priorities and assigned budget
3. NLS OverDrive Consortia Coordination
  - Work with the Library-to-Go Committee to write a Collection Development Policy to be reviewed by the Executive Committee that includes selection criteria, priorities for the overall collection that reflects the diverse needs of the NLS populations, including selection in at least English and Spanish and procedures for challenged materials
  - Work with the Library-to-Go Committee to write a Collection Management Policy to be reviewed by the Executive Committee that includes content selector assignments for participating library jurisdictions, practices for library jurisdictions to promote titles related to local themes, practices for library jurisdictions to integrate local branding into their promotion of content for review by the Executive Committee
  - Coordinate the collection and reporting of statistics to the Executive Committee on a quarterly basis, including: global circulation statistics; number of patrons by library system and by youth/adult (if possible); borrowing statistics broken down

into formats, including eBooks, eAudiobooks, eMagazines, and other formats available in the collection; fiction circulation, and nonfiction circulation

- At the direction of the NLS Executive Committee, work with the Library-to-Go Committee to review and evaluate other shared digital content platform options

4. OverDrive Consortia Budget (eBooks, eAudio and eMagazines)

- Solicit input from and provide preliminary budget information to the Library-to-Go Committee related to funding the shared NLS OverDrive collection
- Reach out to and communicate with participating libraries and library directors regarding budget decisions to ensure their opinions are being included prior to meetings
- Develop an annual budget working with the NLS fiscal administrator and with the Library-to-Go Committee. Write a budget memo for review and presentation at the May NLS Executive Committee
- Provide written quarterly reports to the NLS Executive Committee, outlining the number of titles purchased, the budget expenditures to date, and other related activities
- Be familiar with the California Library Services Act (CLSA), the allowable use of CLSA funds, and the NLS CLSA budget. This can be achieved by meeting with the NLS Coordinator
- Work with the NLS fiscal administrator to track any additional OverDrive CLSA allocations by libraries to ensure the funds are budgeted, tracked, and any unspent funds are accounted for, and identified for the Executive Committee to consider roll-over or future use for the upcoming budget by the May Executive Committee meeting

5. OverDrive Portal

- Access the OverDrive portal as needed to ensure orders are being placed by NLS selectors
- Work with the NLS fiscal administrator on approving invoices for payments
- Track orders and expenditures to ensure budget expenditures are on track

6. Communication

- Correspond with the NLS Executive Committee Chair and Library-to-Go Committee
- Develop other policies/procedures per the NLS Executive Committee direction or for the needs of the Library-to-Go Committee (e.g. explore implementation of an Instant Digital Card)
- Provide statistics to the NLS Coordinator for CLSA reports

The Chair/Co-Chairs would not be responsible for the actual purchases or collection management.





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**To:** NLS Executive Committee  
**From:** Jacquie Brinkley, NLS System Coordinator  
**Subject:** NLS Book-Club-in-a-Box Funding Request  
**Date:** October 13, 2021

### Background

At their July 28, 2021 meeting, the NLS Executive Committee reviewed a funding request from the NLS Book-Club-in-a-Box. The project has been coordinated and administered by Butte County Library and has shared the collection with two other NLS libraries making it eligible for CLSA funding. Butte County Library requested \$5,000 - \$7,000 to refresh the collection and \$300 for shipping.

The Executive Committee asked for Butte County Library to respond to the following questions. The responses are included below

- How are books selected for this collection? - *The Book Club in a Box employee and the supervising collections librarian decide what to add based on the needs of the county and on what items have had the highest checkout numbers and requests we are getting.*
- What are the circulation statistics of past activity? - *For the year of 2021, thus far we have loaned 254 items.*
- What is current use and with what libraries? - *It is used by book clubs within Butte County, both ones put on by the library and private book clubs as well. Two outside libraries are also used, they are the Alpine County Library and the Lassen Library District. Currently, there are 73 items out to various groups.*
- Do you have a collection development policy? If so, please include. - *New sets are to be received from Butte County Library, libraries participating in the program, Butte County FOL groups, or purged BCL books (when there is sufficient quantity thereof). New books should be added to the program as soon as possible.*
- What is the diversity, equity and inclusion "lens" in selection of materials for this collection? - *Staff try to add variety of titles, which will interest wider populations. Most of the titles lately added (with Butte County collection funds) are based on suggestion/requested items by the patrons and also based on best sellers at the time, we also add classics to make sure we have variety of titles. In new collections we are planning to add some large print/audio book sets too.*

### Recommendation

It is recommended that the NLS Executive Committee consider Butte County Library's request for CLSA funds for staff to refresh their Book-Club-in-a-Box program.

**To: NLS Executive Committee**  
**From: Andrew Yon**  
**Subject: Explanation of NLS Reserves**  
**Date: October 13, 2021**

## **Background**

At the July 2021 NLS Executive Committee meeting, in a memo from the ad hoc committee reviewing the standing chair rotation schedule, there was a series of questions which were asked in the memo, including:

*What are the sources of funds that comprise the NorthNet reserve account? How/when can these funds be spent? Are there restrictions on how these funds can be spent? What is the minimum dollar amount we need to keep in the reserve account? According to whom?*

Information was provided at that meeting regarding this question, and there was a request for PLP to provide a memo explaining the NLS fund balance and operating reserves.

The purpose of this memo is to provide that information.

## **Discussion**

An Operating Reserve Policy was approved at the August 2017 NLS Executive Committee and adopted by the NorthNet Administrative Council at the January 2018 meeting. **Exhibit A** is that policy. Per the policy:

*The Operating Reserves Fund is intended to provide an internal source of funds for situations such as sudden increase in expenses, one-time unbudgeted expenses, unanticipated loss in funding, or uninsured losses. The Reserves Fund may also be used for one-time nonrecurring expenses that will build long-term capacity, such as staff development or research and development. Other purposes for the use of the Operating Reserves may be established as necessary, if funds are available.... Operating Reserves are not intended to replace a permanent loss of funds or eliminate an ongoing budget gap. It is the intention of NorthNet Library System for Operating Reserves to be used and replenished within a reasonably short period of time. ... The target minimum Operating Reserves Fund is equal to three months of the operating budget costs.*

The fund balance includes a blend of funds, which may include any roll-over CLSA funds, funds relating to unexpended balances from grants, and funds not encumbered.

For FY 2021-22, the estimated carry-over fund balance includes the following:

Estimated Fund Balance:	\$1,236,607
Operating Reserves:	\$71,730
Legacy System Legal Funds:	<u>\$24,000</u> (\$8,000 per system)
TOTAL	\$1,332,337

The State Library has approved the grant ending period through August 2021 for both the FY2020-21 Public Library Staff Program (PLSEP) and Preparing to Respond & Recover LSTA grants. The estimated Fund Balance as of 6/30/21 includes the following FY 2020-21 LSTA grants unspent funds grants in amount of \$22,554. Additionally, the Fund Balance includes the \$39,245 CLSA roll-over funds for the OverDrive. There are additional expenses using the Fund Balance which have not yet been posted.

During any fiscal year, any funds not spent fall to the Fund Balance. In FY 2021-22, NLS is not administering any grants, which will result in fewer funds falling to Fund Balance.

### **Summary**

We are in the process of closing the NLS financial books for FY 2020-21 and will update the Fund Balance figure when we have closed the fiscal year.

**Exhibit A**

## **NorthNet Operating Reserves Fund Policy**

### **PURPOSE**

The purpose of the Operating Reserves Fund Policy for NorthNet Library System is to ensure the stability of the mission, bylaws, and ongoing operations of the organization. The Operating Reserves Fund is intended to provide an internal source of funds for situations such as sudden increase in expenses, one-time unbudgeted expenses, unanticipated loss in funding, or uninsured losses. The Reserves Fund may also be used for one-time nonrecurring expenses that will build long-term capacity, such as staff development or research and development. Other purposes for the use of the Operating Reserves may be established as necessary, if funds are available.

Operating Reserves are not intended to replace a permanent loss of funds or eliminate an ongoing budget gap. It is the intention of NorthNet Library System for Operating Reserves to be used and replenished within a reasonably short period of time. Operating Reserves Fund policy will be implemented in concert with the other governance and financial policies of NorthNet Library System and is intended to support the goals and strategies contained in these related policies and in strategic and operational plans.

### **DEFINITIONS AND GOALS**

The Operating Reserves Fund is defined as the designated fund set aside by action of the NLS Administrative Council. The minimum amount to be designated as the Operating Reserves will be established in an amount sufficient to maintain ongoing operations for a set period of time, measured in months. The Operating Reserves serve a dynamic role and will be reviewed and adjusted in response to internal and external changes. The target minimum Operating Reserves Fund is equal to **three months** of the operating budget costs. The calculation of operating budget costs includes all recurring, predictable expenses such as contracts that support communication and delivery products and services, fiscal and administrative services, insurance, and ongoing professional services. Reimbursable or pass-through programs, depreciation, in-kind, and other non-cash expenses are not included in the calculation.

The amount of the Operating Reserves Fund target minimum will be calculated each year after approval of the annual budget, reported to the Executive Committee, and included in the regular financial reports

*Adopted by NLS Administrative Council, January 19, 2018*