



## Executive Council Agenda

February 13, 2024  
2:00 - 4:00 pm

Meeting Location:  
Yorba Linda Public Library  
4852 Lakeview Ave., Yorba Linda, CA 92886

Join Zoom Meeting:

<https://us02web.zoom.us/j/89302059190?pwd=OGFkZHK0T0U3SWIGRHM4b1pXWWpHQOT09>

Meeting ID: 893 0205 9190

Alternate meeting locations:

Anaheim Public Library, 500 W. Broadway, Anaheim, CA 92805  
Newport Beach Public Library, 1000 Avocado Avenue, Newport Beach, CA 92660  
OC Public Libraries, 1501 E. St. Andrew Place, Santa Ana, CA 92705  
Placentia Library District, 411 E. Chapman Avenue, Placentia, CA 92870

## AGENDA

All items may be considered for action.

1. Opening Jessica Framson
  - a. Chairperson's Welcome  
Chairperson introduces any guests or new members.
  - b. Roll Call
  
2. Public Comment Jessica Framson

Opportunity for any guest or member of the public to address the Council on any item of Santiago business not represented on the current agenda.
  
3. Consent Calendar Jessica Framson

All items on the consent calendar may be approved by a single motion. Any Council member may request an item be removed from the consent calendar and placed on the agenda for discussion.

  - a. Minutes of the November 14, 2023, meeting  
(ACTION)

- |  |                            |
|--|----------------------------|
| 4. Adoption of the Agenda  | Jessica Framson            |
| 5. Budget Status Report FY 2023/24<br>(DISCUSSION)   | Andy Beck                  |
| 6. CLSA FY 2024/25 Planning<br>(DISCUSSION)  | Christine Powers           |
| 7. Membership Dues FY 2024/25<br>(ACTION)  | Andy Beck                  |
| 8. Consideration of Travel Reimbursements<br>(ACTION)  | Christine Powers/Andy Beck |
| 9. Santiago Library System Webpage Update<br>(DISCUSSION)  | Christine Powers           |
| 10. Audit Report FY 2022/23<br>(ACTION)  | Andy Beck                  |
| 11. Discussion of Committee Representatives and<br>Appointment of Teen Services Representative<br>(ACTION) | Christine Powers           |
| 12. Committee Reports  |                            |
| a. Technology Committee  | Genesis Hansen             |
| b. Children's Services Committee   | Judy Booth                 |
| c. Teen Services   |                            |
| d. Circulation Committee   | Helen Medina               |
| e. Reference Committee   | Brian Sternberg            |
| 13. State Library Report   | Kaela Villalobos           |
| 14. Executive Council Chair Report   | Jessica Framson            |
| 15. Other  | Jessica Framson            |
| 16. What's New at your Library   | Jessica Framson            |
| 17. Adjournment  | Jessica Framson            |

c/o SCLC 222 E. Harvard St., Glendale, CA 91205  
(626) 283-5949 • Fax (626) 283-5949



ACTION ITEMS

Meeting: \_\_\_\_\_ Santiago Executive Council Meeting \_\_\_\_\_

Date: \_\_\_\_\_ February 13, 2024 \_\_\_\_\_

Library: \_\_\_\_\_

Name: \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

Agenda Item: \_\_\_\_\_

\_\_\_\_\_ Aye                      \_\_\_\_\_ Motion

\_\_\_\_\_ Nay                      \_\_\_\_\_ Second

\_\_\_\_\_ Abstain

Agenda Item: \_\_\_\_\_

\_\_\_\_\_ Aye                      \_\_\_\_\_ Motion

\_\_\_\_\_ Nay                      \_\_\_\_\_ Second

\_\_\_\_\_ Abstain

Agenda Item: \_\_\_\_\_

\_\_\_\_\_ Aye                      \_\_\_\_\_ Motion

\_\_\_\_\_ Nay                      \_\_\_\_\_ Second

\_\_\_\_\_ Abstain

Agenda Item: \_\_\_\_\_

\_\_\_\_\_ Aye                      \_\_\_\_\_ Motion

\_\_\_\_\_ Nay                      \_\_\_\_\_ Second

\_\_\_\_\_ Abstain

Agenda Item: \_\_\_\_\_

\_\_\_\_\_ Aye                      \_\_\_\_\_ Motion

\_\_\_\_\_ Nay                      \_\_\_\_\_ Second

\_\_\_\_\_ Abstain

Agenda Item: \_\_\_\_\_

\_\_\_\_\_ Aye                      \_\_\_\_\_ Motion

\_\_\_\_\_ Nay                      \_\_\_\_\_ Second

\_\_\_\_\_ Abstain



**Executive Council Agenda**

November 14, 2023  
2:00 - 4:00 pm

Meeting Location:  
Newport Beach Central Library  
1000 Avocado Ave., Newport Beach, CA 92660

Alternate meeting location:  
Anaheim Public Library 500 W. Broadway Anaheim, CA 92805

**Minutes draft**

**Attendance**

Booth, Judy – Fullerton  
Contreras, Jeanette – Placentia  
Curtis, Dave – Orange Public  
Duarte, Ann – Buena Park  
Framson, Jessica – Huntington Beach  
Hansen, Genesis – Mission Viejo  
Lightfoot, Rebecca – Newport Beach  
Lixey, Carrie – Yorba Linda  
Lujan, Audry – Anaheim

Sternberg, Brian – Santa Ana  
Starkey, Brian – OC Public Law  
Toth, Sherry – OC Public

**Other**

Beck, Andy – SCLC  
Graver, Lori – SCLC  
Powers, Christine – SCLC  
Villalobos, Kaela – CSL  
Walker, Wayne - SCLC

1. Opening Jessica Framson  
Meeting called to order at 2:05 pm.
  
2. Public Comment Jessica Framson  
Opportunity for any guest or member of the public to address the Council on any item of Santiago business not represented on the current agenda.  
None.
  
3. Consent Calendar Jessica Framson  
All items on the consent calendar may be approved by a single motion. Any Council member may request an item be removed from the consent calendar and placed on the agenda for discussion.
  - a. Minutes of the August 15, 2023, meeting  
MSP (Hansen/Booth) to pass the Consent Calendar, without changes.  
8 yes, 0 no, 3 abstain

4. Adoption of the Agenda Jessica Framson  
 Chair adopts the agenda, as presented, without objection.
  
5. Budget Status Report FY2023/24 Andy Beck  
 The Budget Status Report for FY 2023/24 reflects reconciled bank statements through September 30, 2023. Financial highlights for revenues include the receipt of 83% membership dues. There are no unexpected expenses.
  
6. CLSA FY2023/24 Plan of Service Update Christine Powers  
 Each year, the Santiago Library System receives California Library Services Act (CLSA) funds from the state. To receive these funds, Santiago submits a Plan of Service to be approved by the California Library Services Board (CLSB). The CLSB approved Santiago's Plan of Service on October 19, 2023. Staff has filed the required paperwork with the State Library to claim the CLSA funding for the Santiago. Staff anticipates that the CLSA funds will be distributed to member library systems by the end of the calendar year.
  
7. Banking Status and Reconsideration of Financial Authority Christine Powers  
 In August 2023, Santiago authorized staff to close Santiago's Pacific Premier Bank account, open a new account with JP Morgan Chase, and transfer all funds from Pacific Premier to Chase. The Executive Council granted financial authority to two members of SCLC staff, as well as the System's Chair and Vice Chair. Santiago's JPA and Bylaws do not require Council Members to be authorized signers on any financial accounts, nor mention financial authority as duty of Chair or Vice Chair.  
 MSP (Contreras/Starkey) to discontinue the practice of granting Signature Authority to Council members, effective immediately, and going forward, staff will provide financial statements in Council Agenda Packets.  
 12 yes, 0 no, 0 abstain
  
8. Santiago Library System Webpage Update Christine Powers  
 Santiago Library System had voted to discard the use of the System's Google Drive and allow SCLC staff to manage Santiago's website as a subpage of SCLC's website. Staff provided an update of the website, and relayed future plans for the site, anticipated in early 2024.
  
9. 2024 Performers Showcase Christine Powers  
 The Santiago's Children's Services Committee has presented the Performers Showcase for many years, to familiarize attendees with performers available for library programming.  
 MSP (Curtis/Lujan) to approve execution of the 2024 Performer's Showcase by Santiago Children's Committee, as presented in the report.  
 12 yes, 0 no, 0 abstain

10. Committee Reports

- a. Technology Committee Genesis Hansen  
Committee discussed scheduling software, Wonderbooks, Boxbooks, laptop waivers, and staff borrowing equipment for in home use.
- b. Children’s Services Committee Judy Booth  
Committee discussed the Performer’s Showcase.
- c. Teen Services Dave Curtis  
Committee discussed summer programming at last meeting, and will discuss fall and winter programming at the November meeting.
- d. Circulation Committee Ann Duarte  
Committee would like to bring back homebound services, which were discontinued under COVID. Also discussed promoting the Parks Pass program, and will discuss the book return process at the next meeting.
- e. Reference Committee Brian Sternberg  
Committee discussed how to store and manage local history artifacts.

11. State Library Report

Kaela Villalobos

Surveys: California Public Libraries Survey closed on November 7, 2023, and responses due for on November 14, 2023, for Technology Needs for California Libraries.

Broadband aggregator applications are open.

Inspiration grants opportunity closes on November 30, 2023.

Lunch at the Library applications close on November 29, 2023. Funding has increased to \$5.4 million.

California Connect applications are being accepted.

Career Online High School no longer requires jurisdictions to provide a cash match.

Building Forward round two announcement is forthcoming.

Writer to Writer Challenge for adult learner entries are due February 15, 2024.

California Libraries Learn (CALL) calendar continues to offer many options for professional development.

The Parks Pass program will be adding a backpack component.

Ready or Not Cultural Heritage Disaster Preparedness and Zip Books Programs are ongoing.

12. Executive Council Chair Report

Jessica Framson

None.

13. Other

Jessica Framson

None.

14. What’s New at your Library

Jessica Framson

*Buena Park*: wrapping up the HVAC project; implementing new city non-smoking policy; bilingual story times are successful (Spanish and Korean); passport program has resumed.

*Fullerton:* Working to make facilities ADA compliant; city granted raises across the board.

*Huntington Beach:* Issued an RFP for a Master Plan; in October, held an all staff meeting on safety issues; migrating from iCloud to OverDrive; with new branch manager, now fully staffed in FT positions; library board imposed new policies for materials deemed to contain sexual content, including evaluating existing materials, shelving, access, and acquisition of new content.

*Mission Viejo:* Mentorship program was successful, and several participants were subsequently hired; applying for an Inspiration grant.

*Newport Beach:* Soliciting bids to construct a lecture hall; collection development policies are changing.

*OC Public:* closing three branches for remodeling; in negotiations with Irvine.

*OC Public Law:* in person usage is up as researching services and programming are bringing more people into the building.

*Orange Public:* encountering challenges endemic with rotating city staff; Foundation hosted Legacy Award program and raised \$16k; Curtis is retiring in December.

*Santa Ana:* Building Forward funding received to continue updating and refreshing facilities; innovations lab and other projects are funded from multiple sources; book challenges have subsided.

*Yorba Linda:* Solar panels installed; received a \$600k donation and will use to host annual author talks.

15. Adjournment

Meeting adjourned at 3:45 pm.

Jessica Framson



**REPORT TO THE EXECUTIVE COMMITTEE  
SANTIAGO LIBRARY SYSTEM**

DATE: February 13, 2024  
FROM: Andy Beck, Controller

SUBJECT: **Budget Status Report FY 2023/24 (DISCUSSION)**

BACKGROUND: The Budget Status Report for Fiscal Year 2023/24 is attached for review and reflects reconciled bank statements through December 31, 2023.

Financial highlights for revenues include CLSA funds, which were received in December, and membership dues, which are 83% collected. Expenses are expected to be at budgeted amounts as there are no unexpected expenses.

FISCAL IMPACT: None

RECOMMENDATION: Information

EXHIBITS: Budget to Actual Report



	<u>FY23/24</u> <u>Budget</u>	<u>Prior Year</u> <u>Actuals</u>	<u>FY23/24</u> <u>Actuals</u>	<u>Balance</u>	<u>%</u> <u>Unrealized</u>	<u>%</u> <u>Realized</u>	<u>Notes</u>
<b>REVENUE</b>							
<b>Program and general revenues</b>							
CLSA Communications & Delivery	\$ 177,074	\$ 178,141	\$ 7,412	\$ 169,662	96%	4%	Received in Dec 2023
CLSA System Administration	44,268	44,251	22,134	22,134	50%	50%	Received in Dec 2023
Membership Dues	6,660	6,660	6,660	-	0%	100%	83% collected
<b>Total program and general revenues</b>	<u>228,002</u>	<u>229,052</u>	<u>36,206</u>	<u>191,796</u>	<u>84%</u>	<u>16%</u>	
<b>Special events</b>							
Performers showcase revenues	2,500	3,007	-	2,500	100%	0%	
Performers showcase expenses	(1,000)	(352)	-	(1,000)	100%	0%	
<b>Special events, net</b>	<u>1,500</u>	<u>2,655</u>	<u>-</u>	<u>1,500</u>	<u>100%</u>	<u>0%</u>	
<b>Total revenues</b>	<u>\$ 229,502</u>	<u>\$ 231,707</u>	<u>\$ 36,206</u>	<u>\$ 193,296</u>	<u>84%</u>	<u>16%</u>	
<b>EXPENDITURES</b>							
<b>Communications and delivery</b>							
Member distribution (eResource / Tele)	\$ 165,455	\$ 81,146	\$ -	\$ 165,455	100%	0%	Member distribution
Audit Fees	6,875	6,911	5,040	1,835	27%	73%	CJ Brown
Office supplies	1,876	-	938	938	50%	50%	Reimburse expenses
Telecommunications	2,868	90,084	1,434	1,434	50%	50%	Reimburse expenses/Member distrib.
<b>Total communication and delivery</b>	<u>177,074</u>	<u>178,141</u>	<u>7,412</u>	<u>169,662</u>	<u>96%</u>	<u>4%</u>	
<b>Administration</b>							
Administration expense	44,268	44,251	22,134	22,134	50%	50%	SCLC
Memberships	4,410	4,410	4,410	-	0%	100%	Califa
Meetings/conferences/travel	200	267	-	200	100%	0%	
Other	-	-	30	(30)			
<b>Total administration</b>	<u>48,878</u>	<u>48,928</u>	<u>26,574</u>	<u>22,304</u>	<u>46%</u>	<u>54%</u>	
<b>Total expenditures</b>	<u>\$ 225,952</u>	<u>\$ 227,069</u>	<u>\$ 33,986</u>	<u>\$ 191,966</u>	<u>85%</u>	<u>15%</u>	
<b>SURPLUS (DEFICIT)</b>	<u>\$ 3,550</u>	<u>\$ 4,638</u>	<u>\$ 2,220</u>	<u>\$ 1,330</u>	<u>37%</u>	<u>63%</u>	

**ACCOUNT BALANCES**

Pacific Premier Bank \$ 404,171

**CLSA FUNDS**

**FY2023/24 CLSA Communications & Delivery - Projected (Restricted)**

	<b>FISCAL YEAR 2023-24</b>			
	<u>Beginning</u>	<u>Addition</u>	<u>Deletions</u>	<u>Ending</u>
E-Resources	\$ -	\$ 78,278	\$ -	\$ 78,278
Delivery	-	-	-	-
Contracted services	-	6,875	(5,040)	1,835
Telecommunications	-	90,045	(1,434)	88,611
Office supplies	-	1,876	(938)	938
Capital outlay	-	-	-	-
Resource sharing (Link+)	-	-	-	-
	<u>\$ -</u>	<u>\$ 177,074</u>	<u>\$ (7,412)</u>	<u>\$ 169,662</u>



**REPORT TO THE EXECUTIVE COMMITTEE  
SANTIAGO LIBRARY SYSTEM**

**DATE:** February 13, 2024  
**FROM:** Christine Powers, Executive Director – SCLC/Santiago  
**SUBJECT: CLSA FY 2024/25 Planning (DISCUSSION)**

**BACKGROUND:** Each year, the Santiago Library System receives California Library Services Act (CLSA) funds from the state to promote resource sharing within the system. To receive these funds, Santiago must complete and submit a Plan of Service in June that is reviewed and subject to approval by the California Library Services Board (CLSB). The Plan outlines how the system intends to expend funds and how those expenditures will benefit the communities served by Santiago member libraries.

For the proposed CLSA system allocations for FY 2024/25, the determination will need to be made if the system wishes to proceed with the same model and process of distributing funds for e-Resources to members using a population-based formula. Should the members choose to continue this method of funding allocations, staff will distribute a survey to each member library to determine what category of funding they are utilizing so that this can be reflected in the Plan of Service.

If another model of spending the CLSA funds is desired, some discussion, coordination, and time will be required to obtain the final decision during the May meeting. This will allow for the submission of the CLSA Plan of Service for FY 2024/25 by the usual June deadline.

**FISCAL IMPACT:** To be determined.

**RECOMMENDATION:** Informational only. Should the Executive Committee wish to explore a different model of spending CLSA funds for FY 2024/25, feedback can be provided at this meeting. Action could be required if the Chair chooses to create and appoint members to an ad hoc committee to explore ideas to present at the May meeting.

**EXHIBITS:** None



**REPORT TO THE EXECUTIVE COMMITTEE  
SANTIAGO LIBRARY SYSTEM**

DATE: February 13, 2024  
FROM: Andy Beck, Controller – SCLC/Santiago

SUBJECT: **Membership Dues FY 2024/25 (ACTION)**

BACKGROUND: The attached Membership Dues includes the Califa membership fees at the discounted group rate for FY 2024/25. The membership dues rate was agreed upon by the Administrative Council and since being implemented in FY 2018/19, membership dues have not changed.

FISCAL IMPACT: Libraries will be invoiced for their membership dues in July 2024.

RECOMMENDATION: Approve updated membership dues for FY 2024/25.

EXHIBITS: Membership Dues Schedule

<b>SANTIAGO LIBRARY SYSTEM - MEMBERSHIP DUES FY2024/25</b>			
<b>Library</b>	<b>SLS Membership FY24/25</b>	<b>Califa Membership FY24/25</b>	<b>Totals FY24/25</b>
Anaheim Public Library APL	\$ 200.00	\$ 360	\$560
Buena Park Library District BPLD	\$ 200.00	\$ 360	\$560
Fullerton Public Library FPL	\$ 200.00	\$ 360	\$560
Huntington Beach Public Library HBPL	\$ 200.00	\$ 360	\$560
Mission Viejo Public Library MVPL	\$ 200.00	\$ 360	\$560
Newport Beach Public Library NBPL	\$ 200.00	\$ 360	\$560
Orange County Public Library OCPL	\$ 200.00	\$ 450	\$650
Orange County Law Library OCLL	\$ 50.00	\$ 360	\$410
Orange Public Library OPL	\$ 200.00	\$ 360	\$560
Placentia Library District PLD	\$ 200.00	\$ 360	\$560
Santa Ana Public Library SAPL	\$ 200.00	\$ 360	\$560
Yorba Linda Public Library YLPL	\$ 200.00	\$ 360	\$560
<b>TOTALS:</b>	<b>\$ 2,250</b>	<b>\$ 4,410</b>	<b>\$6,660</b>



**REPORT TO THE EXECUTIVE COMMITTEE  
SANTIAGO LIBRARY SYSTEM**

**DATE:** February 13, 2024  
**FROM:** Christine Powers, Executive Director – SCLC/Santiago  
Andy Beck, Controller – SCLC/Santiago

**SUBJECT: Consideration of Travel Reimbursements (ACTION)**

**BACKGROUND:** The Executive Director attends conferences for professional development, and to maintain and expand the services of all five Systems. Moreover, when the Executive Director attends such events, she represents all five Systems. Some of the events the Executive Director may attend include, but are not limited to, conferences held by the American Library Association (ALA), California Library Association (CLA), and the Public Library Association (PLA).

In the past, when the Executive Director attended these events, the expenses were incurred by the Southern California Library Cooperative (SCLC) alone. To relieve the burden of these expenses, it is suggested that travel expenses for such events be allocated amongst the five Systems. The allocation methodology would be pro-rata based on the California Library Services Act (CLSA) appropriation for administration.

**FISCAL IMPACT:** To be determined (FY 2023/24, pro-rata allocation was approximately 13%).

**RECOMMENDATION:** Consider recommending the approval of travel reimbursement to SCLC for expenses incurred for conferences where the Executive Director represents all five Systems. The reimbursement is to be calculated pro-rata based on the CLSA appropriation for administration.

**EXHIBITS:** None



**REPORT TO THE EXECUTIVE COMMITTEE  
SANTIAGO LIBRARY SYSTEM**

**DATE:** February 13, 2024  
**FROM:** Christine Powers, Executive Director – SCLC/Santiago

**SUBJECT: Santiago Library System Webpage Update (DISCUSSION)**

**BACKGROUND:** Last year, members of the Santiago Library System voted to discard the use of the System’s Google Drive and allow Southern California Library Cooperative (SCLC) staff to manage Santiago’s website as a subpage of SCLC’s website.

This webpage includes Santiago’s name, logo, a brief description of the organization, a list of member libraries, and a link to meeting minutes and agendas. Staff will manage the website regularly to post agendas in compliance with the Brown Act and make any updates regarding member library contact information, as needed. This includes committee meeting agendas and minutes.

The webpage is done and has been made public. Currently, staff is working with Streamline to update the SCLC website, which will include an update to Santiago’s webpage.

**FISCAL IMPACT:** None

**RECOMMENDATION:** Informational item

**EXHIBIT:** None



**REPORT TO THE EXECUTIVE COMMITTEE  
SANTIAGO LIBRARY SYSTEM**

DATE: February 13, 2024  
FROM: Andy Beck, Controller – SCLC/Santiago

SUBJECT: **Audit Report FY 2022/23 (ACTION)**

BACKGROUND: The State and County requires an audit of the financial statement to be performed by an independent auditor. Accordingly, the audited financial statements of the System are submitted to the State of California and the County of Orange. For the fiscal year ended June 30, 2023, interim testing was conducted in November 2023 and final testing was completed in January 2024. The draft financial statements for Santiago have been included for your review.

For the fiscal year June 30, 2023, there were no material weaknesses or significant deficiencies.

FISCAL IMPACT: None

RECOMMENDATION: To recommend acceptance of the Financial Audit.

EXHIBITS:

1. Draft audited financial statements
2. Draft management report



**Santiago Library System**

**Annual Financial Report**

**For the Fiscal Year Ended June 30, 2023**

DRAFT



DRAFT

**Santiago Library System**  
**Annual Financial Report**  
**For the Fiscal Year Ended June 30, 2023**

DRAFT

**Santiago Library System  
Annual Financial Report  
For the Fiscal Year Ended June 30, 2023**

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## **Financial Section**

DRAFT

DRAFT

## Independent Auditor's Report

Administrative Council  
Santiago Library System  
Glendale, California

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities and each major fund of the Santiago Library System (System) as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the System's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of governmental activities and each major fund of the Santiago Library System as of June 30, 2023, and the respective changes in financial position for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

### ***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS), the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the State Controller's Minimum Audit Requirements for California Special Districts. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the System, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### ***Responsibilities of Management 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, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the System's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

## **Independent Auditor's Report, continued**

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit 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 System's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the System's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 7, and the required supplementary information on page 21, be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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.

## Independent Auditor's Report, continued

### Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated February 13, 2024, on our consideration of the System's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, 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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit. That report can be found on pages 22 and 23.

**C.J. Brown & Company, CPAs**  
Cypress, California  
February 13, 2024



**Santiago Library System**  
**Management's Discussion and Analysis**  
**For the Fiscal Year Ended June 30, 2023**

As management of the Santiago Library System (System), we offer readers of the System's financial statements this narrative overview and analysis of the financial activities and performance of the System for the fiscal year ended June 30, 2023. Please read it in conjunction with additional information that we have furnished in the accompanying basic financial statements, which follow this section.

**Financial Highlights**

- The System's net position increased 55.97%, or \$4,638, from \$8,287 to \$12,925, in fiscal year 2023.
- The System's total revenues decreased 18.47%, or \$52,644, from \$285,066 to \$232,422, in fiscal year 2023.
- The System's total expenses decreased 21.72%, or \$63,201, from \$290,985 to \$227,784, in fiscal year 2023.

**Using This Financial Report**

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities provide information about the activities and performance of the System using accounting methods similar to those used by private sector companies. The Statement of Net Position includes all of the System's investments in resources (assets), deferred outflows of resources, the obligations to creditors (liabilities), and deferred inflows of resources. They also provide the basis for computing a rate of return, evaluating the capital structure of the System, and assessing the liquidity and financial flexibility of the System. All of the current year's revenues and expenses are accounted for in the Statement of Activities. This statement measures the success of the System's operations over the past year and can be used to determine the System's profitability and credit worthiness.

**Government-wide Financial Statements**

**Statement of Net Position and Statement of Activities**

One of the most important questions asked about the System's finances is, "Is the System better off or worse off as a result of the year's activities?" The Statement of Net Position and the Statement of Activities report information about the System in a way that helps answer this question. These statements include all assets, deferred outflows of resources, liabilities, and deferred inflows of resources using the *accrual basis of accounting*, which is similar to the accounting used by most private sector companies. All of the current year's revenues and expenses are taken into account regardless of when the cash is received or paid.

These two statements report the System's net position and changes in it. Think of the System's net position – assets and deferred outflows of resources less liabilities and deferred inflows of resources – as one way to measure the System's financial health, or financial position. Over time, increases or decreases in the System's net position are one indicator of whether its financial health is improving or deteriorating.

**Santiago Library System**  
**Management's Discussion and Analysis, continued**  
**For the Fiscal Year Ended June 30, 2023**

**Governmental Fund Financial Statements**

**Balance Sheet and Statement of Revenue, Expenditures, and Changes in Fund Balance**

*Governmental fund* is used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

**Notes to the Basic Financial Statements**

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found on pages 12 through 20.

**Other Information**

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the System's budgetary information and compliance.

**Government-wide Financial Analysis**

**Statement of Net Position**

**Condensed Statements of Net Position**

	<u>2023</u>	<u>2022</u>	<u>Change</u>
Assets:			
Current assets	\$ 368,531	397,081	(28,550)
<b>Total assets</b>	<u>368,531</u>	<u>397,081</u>	<u>(28,550)</u>
Liabilities:			
Current liabilities	355,606	388,794	(33,188)
<b>Total liabilities</b>	<u>355,606</u>	<u>388,794</u>	<u>(33,188)</u>
Net position:			
Unrestricted	12,925	8,287	4,638
<b>Total net position</b>	<u>\$ 12,925</u>	<u>8,287</u>	<u>4,638</u>

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the System, assets exceeded liabilities by \$12,925 as of June 30, 2023. At the end of fiscal year 2023, the System shows a positive balance in its unrestricted net position of \$12,925, that may be utilized in future years.

**Santiago Library System**  
**Management's Discussion and Analysis, continued**  
**For the Fiscal Year Ended June 30, 2023**

**Government-wide Financial Analysis, continued**

**Statement of Activities**

**Condensed Statements of Activities**

<i>Governmental Activities:</i>	<u>2023</u>	<u>2022</u>	<u>Change</u>
Expenses:			
System operations	\$ 227,784	290,985	(63,201)
<b>Total expenses</b>	<u>227,784</u>	<u>290,985</u>	<u>(63,201)</u>
Program revenues	225,762	278,916	(53,154)
General revenues	6,660	6,150	510
<b>Total revenues</b>	<u>232,422</u>	<u>285,066</u>	<u>(52,644)</u>
<b>Changes in net position</b>	4,638	(5,919)	10,557
<b>Net position, beginning of year</b>	<u>8,287</u>	<u>14,206</u>	<u>(5,919)</u>
<b>Net position, end of year</b>	<u>\$ 12,925</u>	<u>8,287</u>	<u>4,638</u>

The statement of activities shows how the government's net position changes during the fiscal year. In the case of the System, net position increased 55.97%, or \$4,638, from \$8,287 to \$12,925, in fiscal year 2023.

The System's total revenues decreased 18.47%, or \$52,644, from \$285,066 to \$232,422, in fiscal year 2023. Program revenues decreased 19.06%, or \$53,154 due primarily to decreases of \$28,677 in Federal Library Services and Technology Act revenues and \$27,484 in California State Library Act appropriations.

The System's total expenses decreased 21.72%, or \$63,201, from \$290,985 to \$227,784, in fiscal year 2023, due primarily to a decrease in services and supplies.

**Governmental Fund Financial Analysis**

The focus of the System's *governmental fund* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the System's financing requirements. In particular, the *unassigned fund balance* may serve as a useful measure of the government's net resources available for spending at the end of the fiscal year.

As of June 30, 2023, the System's General Fund reported a fund balance of \$12,925 which constitutes the System's *unassigned fund balance*, which is available for future expenditures.

**General Fund Budgetary Highlights**

In fiscal year 2023, actual expenditures at year end were \$1,970 more than budgeted. The variance is primarily due to professional service expenditures being more than the budget. Actual revenues were \$4,508 more than budgeted. The variance is primarily due to charges for services being more than the budget.

The General Fund budget to actual comparison schedule can be found on page 21.

**Santiago Library System**  
*Management's Discussion and Analysis, continued*  
**For the Fiscal Year Ended June 30, 2023**

**Conditions Affecting Current Financial Position**

Management is unaware of any conditions, which could have a significant impact on the System's current financial position, net position, or operating results in terms of past, present, and future.

**Requests for Information**

The System's basic financial statements are designed to present users with a general overview of the System's finances and to demonstrate the System's accountability. If you have any questions about the report or need additional information, please contact the System's Controller at the Santiago Library System, 222 East Harvard Street, Glendale, California 91205.

DRAFT

## **Basic Financial Statements**

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**Santiago Library System  
Statement of Net Position  
June 30, 2023**

	<u>2023</u>
<b>Assets:</b>	
Cash and cash equivalents (note 2)	\$ 368,470
Accounts receivable	<u>61</u>
<b>Total assets</b>	<u>368,531</u>
<b>Liabilities:</b>	
Accounts payable and accrued expenses	181,702
Unearned revenue (note 3)	<u>173,904</u>
<b>Total liabilities</b>	<u>355,606</u>
<b>Net position:</b>	
Unrestricted	<u>12,925</u>
<b>Total net position</b>	<u>\$ 12,925</u>

See accompanying notes to the basic financial statements

**Santiago Library System  
Statement of Activities  
For the Fiscal Year Ended June 30, 2023**

<i>Governmental Activities:</i>	<u>2023</u>
<b>Expenses:</b>	
System operations:	
Services and supplies	\$ <u>227,784</u>
<b>Total expenses</b>	<u>227,784</u>
<b>Program revenues:</b>	
California State Library Act appropriations	222,392
Federal Library Services and Technology	
Act revenues	363
Charges for services	<u>3,007</u>
<b>Total program revenues</b>	<u>225,762</u>
<b>Net program expenses</b>	<u>(2,022)</u>
<b>General revenues:</b>	
Member and associate dues	<u>6,660</u>
<b>Total general revenues</b>	<u>6,660</u>
<b>Changes in net position</b>	4,638
<b>Net position – beginning of year</b>	<u>8,287</u>
<b>Net position – end of year</b>	<u>\$ 12,925</u>

See accompanying notes to the basic financial statements

**Santiago Library System**  
**Reconciliation of the Balance Sheet of Governmental Type Fund**  
**to the Statement of Net Position**  
**June 30, 2023**

	<u>General Fund</u>	<u>Reclassifications &amp; Eliminations</u>	<u>Statement of Net Position</u>
<b>Assets:</b>			
Cash and cash equivalents (note 2)	\$ 368,470	-	368,470
Accounts receivable	<u>61</u>	<u>-</u>	<u>61</u>
<b>Total assets</b>	<u>368,531</u>	<u>-</u>	<u>368,531</u>
<b>Liabilities:</b>			
Accounts payable and accrued expenses	181,702	-	181,702
Unearned revenue (note 3)	<u>173,904</u>	<u>-</u>	<u>173,904</u>
<b>Total liabilities</b>	<u>355,606</u>	<u>-</u>	<u>355,606</u>
<b>Fund balance: (note 4)</b>			
Unassigned	<u>12,925</u>	<u>(12,925)</u>	<u>-</u>
<b>Total fund balance</b>	<u>12,925</u>	<u>(12,925)</u>	<u>-</u>
<b>Total liabilities and fund balance</b>	<u>\$ 368,531</u>		
<b>Net position:</b>			
Unrestricted		<u>\$ 12,925</u>	<u>12,925</u>
<b>Total net position</b>		<u>\$ 12,925</u>	<u>12,925</u>
<b>Reconciliation:</b>			
<b>Fund balance of governmental fund</b>			<u>\$ 12,925</u>
<b>Net position of governmental activities</b>			<u>\$ 12,925</u>

See accompanying notes to the basic financial statements



**Santiago Library System**  
**Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance**  
**of Governmental Type Fund to the Statement of Activities**  
**For the Fiscal Year Ended June 30, 2023**

	<b>General Fund</b>	<b>Reclassifications &amp; Eliminations</b>	<b>Statement of Activities</b>
<b>Expenditures/Expenses:</b>			
System operations:			
Services and supplies	\$ 227,784	-	227,784
<b>Total expenditures/expenses</b>	<b>227,784</b>	<b>-</b>	<b>227,784</b>
<b>Program revenues:</b>			
California State Library Act apportionment	222,392	-	222,392
Federal Library Services and Technology			
Act revenues	363	-	363
Charges for services	3,007	-	3,007
<b>Total program revenues</b>	<b>225,762</b>	<b>-</b>	<b>225,762</b>
<b>Net program expenses</b>			<b>(2,022)</b>
<b>General revenues:</b>			
Member and associate dues	6,660	-	6,660
<b>Total general revenues</b>	<b>6,660</b>	<b>-</b>	<b>6,660</b>
<b>Total revenues</b>	<b>232,422</b>	<b>-</b>	
<b>Excess of revenues over expenditures</b>	4,638	(4,638)	-
<b>Changes in net position</b>	<b>-</b>	<b>4,638</b>	<b>4,638</b>
<b>Fund balance/Net position – beginning of year</b>	<b>8,287</b>	<b>-</b>	<b>8,287</b>
<b>Fund balance/Net position – end of year</b>	<b>\$ 12,925</b>	<b>-</b>	<b>12,925</b>
<b>Reconciliation:</b>			
<b>Net change in fund balance of governmental fund</b>			<b>\$ 4,638</b>
<b>Changes in net position of governmental activities</b>			<b>\$ 4,638</b>

See accompanying notes to the basic financial statements

**Santiago Library System**  
**Notes to the Basic Financial Statements**  
**June 30, 2023**

**(1) Reporting Entity and Summary of Significant Accounting Policies**

**A. Organization and Operations of the Reporting Entity**

The Santiago Library System (System) was originally organized in 1967 as a cooperative arrangement designed to maximize resources by providing programs and services jointly where it is mutually beneficial to the local population. An important role of the System is to facilitate the sharing of local collections, by providing delivery of materials among the member libraries. The System enhances the reference capabilities of these libraries by furnishing additional resources and expertise when needed to meet patrons' requests. The System presents workshops, arranged staff training programs, and aids in the development of additional reference tools and services. Today, the purpose of the System continues to enrich the member libraries and communities with new resources and program that benefit communities served by the member libraries.

**B. Basis of Accounting and Measurement Focus**

The *basic financial statements* of the System are comprised of the following:

- Government-wide financial statements
- Fund financial statements
- Notes to the basic financial statements

***Government-wide Financial Statements***

These statements are presented on an *economic resources* measurement focus and the accrual basis of accounting. Accordingly, all of the System's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, including capital assets, are included in the accompanying Statement of Net Position. The Statement of Activities presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period in which the liability is incurred. The Statement of Activities demonstrates the degree to which direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. The types of transactions reported as program revenues for the System are to be reported in three categories, if applicable: 1) charge for services, 2) operating grants and contributions, and 3) capital grants and contributions. Charge for services include revenues from customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function. Grants and contributions include revenues restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as general revenues.

***Governmental Fund Financial Statements***

These statements include the Balance Sheet and the Statement of Revenues, Expenditures, and Changes in Fund Balance for all major governmental funds. Incorporated into these statements is a schedule to reconcile and explain the differences in fund balance as presented in these statements to the net position presented in the Government-wide Financial Statements. The System has presented its General Fund as its major fund in these statements to meet the qualifications of GASB Statement No. 34.

**Santiago Library System**  
**Notes to the Basic Financial Statements, continued**  
**June 30, 2023**

**(1) Reporting Entity and Summary of Significant Accounting Policies, continued**

**B. Basis of Accounting and Measurement Focus, continued**

*Governmental Fund Financial Statements, continued*

Governmental funds are accounted for on a spending or *current financial resources* measurement focus and the modified accrual basis of accounting. Accordingly, only current assets and liabilities are included on the Balance Sheet. The Statement of Revenues, Expenditures, and Changes in Fund Balance presents increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Under modified accrual basis of accounting, revenues are recognized in the accounting period in which they become measurable and available to finance expenditures of the current period. Accordingly, revenues are recorded when received in cash, except that revenues subject to accrual (generally 60-days after year-end) are recognized when due. The primary source susceptible to accrual for the System is interest earnings. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. However, exceptions to this rule include principal and interest on debt, which are recognized when due. The System reports the following major governmental fund:

**General Fund** – a government’s primary operating fund. It accounts for all financial resources of the System, except those required to be accounted for in another fund when necessary.

**C. Financial Reporting**

The System’s basic financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP), as applied to governmental entities. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The System has adopted the following GASB pronouncements for the year ended June 30, 2023:

In May 2019, the GASB issued Statement No. 91 – *Conduit Debt Obligations*. The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures.

This Statement requires issuers to disclose general information about their conduit debt obligations, organized by type of commitment, including the aggregate outstanding principal amount of the issuers’ conduit debt obligations and a description of each type of commitment. Issuers that recognize liabilities related to supporting the debt service of conduit debt obligations also should disclose information about the amount recognized and how the liabilities changed during the reporting period.

In March 2020, the GASB issued Statement No. 94 – *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. The primary objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). As used in this Statement, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction.

**Santiago Library System**  
**Notes to the Basic Financial Statements, continued**  
**June 30, 2023**

**(1) Reporting Entity and Summary of Significant Accounting Policies, continued**

**C. Financial Reporting, continued**

Some PPPs meet the definition of a service concession arrangement (SCA), which the Board defines in this Statement as a PPP in which (1) the operator collects and is compensated by fees from third parties; (2) the transferor determines or has the ability to modify or approve which services the operator is required to provide, to whom the operator is required to provide the services, and the prices or rates that can be charged for the services; and (3) the transferor is entitled to significant residual interest in the service utility of the underlying PPP asset at the end of the arrangement. This Statement also provides guidance for accounting and financial reporting for availability payment arrangements (APAs). As defined in this Statement, an APA is an arrangement in which a government compensates an operator for services that may include designing, constructing, financing, maintaining, or operating an underlying nonfinancial asset for a period of time in an exchange or exchange-like transaction.

In May 2020, the GASB issued Statement No. 96 – *Subscription-Based Information Technology Arrangements*. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, Leases, as amended.

In June 2020, the GASB issued Statement No. 97 – *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans—an amendment of GASB Statements No. 41 and No. 84, and a supersession of GASB Statement No. 32*. The primary objectives of this Statement are to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans.

**D. Assets, Liabilities, and Net Position/Fund Balance**

**1. Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities, and deferred inflows of resources and disclosures of contingent assets, deferred outflows of resources, liabilities, and deferred inflows of resources at the date of the financial statements; and the reported changes in System net position during the reporting period. Actual results could differ from those estimates.

**2. Cash and Cash Equivalents**

The System maintains its cash in a non-interest bearing checking account with a financial institution.

**Santiago Library System**  
**Notes to the Basic Financial Statements, continued**  
**June 30, 2023**

**(1) Reporting Entity and Summary of Significant Accounting Policies, continued**

**D. Assets, Liabilities, and Net Position/Fund Balance, continued**

**3. Grants Receivable**

The System applies for grants for which it is awarded. Grants awarded but not received are recorded as grants receivable. Management deems all grants receivable as collectible at year-end. Accordingly, an allowance for doubtful accounts has not been recorded.

**4. Investments and Investment Policy**

The System has adopted an investment policy to deposit funds in financial institutions. Investments are to be made in a checking account at financial institutions.

Changes in fair value that occur during a fiscal year are recognized as unrealized gains or losses and reported for that fiscal year. Investment income is comprised of interest earnings, changes in fair value, and any gains or losses realized upon the liquidation or sale of investments.

**5. Unearned Revenue**

Unearned revenue consists of grants awarded, pending its use.

**6. Net Position**

The government-wide financial statements utilize a net position presentation. Net position is categorized as follows:

- **Net investment in capital assets** – consists of capital assets, net of accumulated depreciation, and reduced by any debt outstanding against the acquisition, construction, or improvement of those assets.
- **Restricted** – consists of constraints placed on net position use through external constraints imposed by creditors, grantors, contributors, or laws or regulations of other governments, or constraints imposed by law through constitutional provisions or enabling legislation.
- **Unrestricted** – consists of the net amount of assets that are not included in the determination of *net investment in capital assets* or *restricted* components of net position.

The governmental fund financial statements report fund balance as nonspendable, restricted, committed, assigned, or unassigned based primarily on the extent to which the System is bound to honor constraints on how specific amounts can be spent.

- **Nonspendable** – amounts that cannot be spent because they are either (a) not spendable in form or (b) legally or contractually required to be maintained intact.
- **Restricted** – amounts with constraints placed on their use that are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.
- **Committed** – amounts that can only be used for specific purposes determined by formal action of the System's highest level of decision-making authority (the Administrative Council) and that remain binding unless removed in the same manner. The underlying action that imposed the limitation needs to occur no later than the close of the reporting period.
- **Assigned** – amounts that are constrained by the System's intent to be used for specific purposes. The intent can be established at either the highest level of decision-making, or by a body or an official designated for that purpose. This is also the classification for residual funds in the System's special revenue funds.

**Santiago Library System**  
**Notes to the Basic Financial Statements, continued**  
**June 30, 2023**

**(1) Reporting Entity and Summary of Significant Accounting Policies, continued**

**D. Assets, Liabilities, and Net Position/Fund Balance, continued**

**7. Fund Balance, continued**

- **Unassigned** – the residual classification for the System’s general fund that includes amounts not contained in the other classifications. In other funds, the unassigned classification is used only if expenditures incurred for specific purposes exceed the amounts restricted, committed, or assigned to those purposes.

***Fund Balance Policy***

The purpose of the System’s fund balance policy is to maintain a prudent level of financial resources to protect against reducing service levels or raising fees because of temporary revenue shortfalls or unpredicted one-time expenditures.

The System believes that sound financial management principles require that sufficient funds be retained to provide a stable financial base at all times. To retain this stable financial base, the System needs to maintain an unrestricted fund balance in its funds sufficient to fund cash flows of the System and to provide financial reserves for unanticipated expenditures and/or revenue shortfalls of an emergency nature. Committed, assigned, and unassigned fund balances are considered unrestricted.

The Administrative Council establishes, modifies, or rescinds fund balance commitments and assignments by passage of an ordinance or resolution. This is done through adoption of the budget and subsequent budget amendments that occur throughout the year.

When both restricted and unrestricted resources are available for use, it is the System’s policy to use restricted resources first, followed by the unrestricted, committed, assigned, and unassigned resources as they are needed.

**(2) Cash and Cash Equivalents**

Cash and cash equivalents as of June 30, 2023, are classified as follows:

	<b>2023</b>
Deposits held in financial institutions	\$ 368,470
Total cash and cash equivalent	\$ 368,470

***Authorized Deposits***

The System has adopted an investment policy to deposit funds in financial institutions.

***Custodial Credit Risk***

The custodial credit risk for *deposits* is the risk that, in the event of failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for *investments* is the risk that, in the event of failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. With respect to investments, custodial credit risk generally applies only to direct investments in marketable securities. Custodial credit risk does not apply to a local government’s indirect investment in securities through the use of mutual funds or government investment pools (such as LAIF).

**Santiago Library System**  
**Notes to the Basic Financial Statements, continued**  
**June 30, 2023**

**(2) Cash and Cash Equivalents, continued**

***Custodial Credit Risk, continued***

The California Government Code and the System’s investment policy does not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by public agencies. Of the bank balance, up to \$250,000 is federally insured and the remaining balance is collateralized in accordance with the Code; however, the collateralized securities are not held in the System’s name.

***Interest Rate Risk***

Interest rate risk is the risk that changes in market interest rate will adversely affect the fair value of an investment. The longer the maturity an investment has, the greater its fair value has sensitivity to changes in market interest rate. The System’s investment policy follows the Code as it relates to limits on investment maturities as a means of managing exposure to fair value losses arising from increasing interest rates.

***Credit Risk***

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization.

**(3) Unearned Revenues**

Unearned revenues as of June 30, consisted of the following:

	<b>2023</b>
California State Library Act appropriation	\$ 173,904
Total unearned revenues	\$ 173,904

**(4) Fund Balance**

Fund balance is presented in the following categories: nonspendable, restricted, committed, assigned, and unassigned (See Note 1.D.7 for a description of these categories). A detailed schedule of fund balance and their funding composition at June 30, is as follows:

<b>Description</b>	<b>2023</b>
Unassigned:	
Operations	\$ 12,925
<b>Total fund balance</b>	<b>\$ 12,925</b>

**Santiago Library System**  
**Notes to the Basic Financial Statements, continued**  
**June 30, 2023**

**(5) Governmental Accounting Standards Board Statements Issued, Not Yet Effective**

The Governmental Accounting Standards Board (GASB) has issued several pronouncements prior to the report date, that have effective dates that may impact future financial presentations.

***Governmental Accounting Standards Board Statement No. 99***

In April 2022, the GASB issued Statement No. 99 – *Omnibus 2022*. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. The requirements of this Statement will enhance comparability in the application of accounting and financial reporting requirements and will improve the consistency of authoritative literature. Consistent authoritative literature enables governments and other stakeholders to locate and apply the correct accounting and financial reporting provisions, which improves the consistency with which such provisions are applied. The comparability of financial statements also will improve as a result of this Statement. Better consistency and comparability improve the usefulness of information for users of state and local government financial statements.

The requirements of this Statement are effective for fiscal years beginning after June 15, 2023, and all reporting periods thereafter. Earlier application is encouraged.

***Governmental Accounting Standards Board Statement No. 100***

In June 2022, the GASB issued Statement No. 100 – *Accounting Changes and Error Corrections – An Amendment of GASB Statement No. 62*. The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability.

This Statement defines accounting changes as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes the transactions or other events that constitute those changes. As part of those descriptions, for (1) certain changes in accounting principles and (2) certain changes in accounting estimates that result from a change in measurement methodology, a new principle or methodology should be justified on the basis that it is preferable to the principle or methodology used before the change. That preferability should be based on the qualitative characteristics of financial reporting—understandability, reliability, relevance, timeliness, consistency, and comparability. This Statement also addresses corrections of errors in previously issued financial statements.

The requirements of this Statement will improve the clarity of the accounting and financial reporting requirements for accounting changes and error corrections, which will result in greater consistency in application in practice. In turn, more understandable, reliable, relevant, consistent, and comparable information will be provided to financial statement users for making decisions or assessing accountability. In addition, the display and note disclosure requirements will result in more consistent, decision useful, understandable, and comprehensive information for users about accounting changes and error corrections.

The requirements of this Statement are effective for accounting changes and error corrections made in fiscal years beginning after June 15, 2023, and all reporting periods thereafter. Earlier application is encouraged.



**Santiago Library System**  
**Notes to the Basic Financial Statements, continued**  
**June 30, 2023**

**(5) Governmental Accounting Standards Board Statements Issued, Not Yet Effective, continued**

***Governmental Accounting Standards Board Statement No. 101***

In June 2022, the GASB issued Statement No. 101 – *Compensated Absences*. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures.

This Statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. Leave is attributable to services already rendered when an employee has performed the services required to earn the leave. Leave that accumulates is carried forward from the reporting period in which it is earned to a future reporting period during which it may be used for time off or otherwise paid or settled. In estimating the leave that is more likely than not to be used or otherwise paid or settled, a government should consider relevant factors such as employment policies related to compensated absences and historical information about the use or payment of compensated absences. However, leave that is more likely than not to be settled through conversion to defined benefit postemployment benefits should not be included in a liability for compensated absences.

The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter. Earlier application is encouraged.

***Governmental Accounting Standards Board Statement No. 102***

In December 2023, the GASB issued Statement No. 102 – *Certain Risk Disclosures*. The primary objective of this Statement requires a government to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact. Additionally, this Statement requires a government to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact to have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued.

The requirements of this Statement are effective for fiscal years beginning after June 15, 2024, and all reporting periods thereafter. Earlier application is encouraged.

**(6) Commitments and Contingencies**

***Grants***

Grant funds received by the System are subject to audit by grantor agencies. Such audit could lead to requests for reimbursements to grantor agencies for expenditures disallowed under terms of the grant. Management of the System believes that such disallowances, if any, would not be significant.

***Litigation***

In the ordinary course of operations, the System is subject to claims and litigation from outside parties. After consultation with legal counsel, the System believes the ultimate outcome of such matters, if any, will not materially affect its financial condition.

**Santiago Library System**  
**Notes to the Basic Financial Statements, continued**  
**June 30, 2023**

**(7) Subsequent Events**

Events occurring after June 30, 2023, have been evaluated for possible adjustment to the financial statements or disclosure as of February 13, 2024, which is the date the financial statements were available to be issued. The System is not aware of any subsequent events that would require recognition or disclosure in the financial statements.

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## **Required Supplementary Information**

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**Santiago Library System**  
**Budgetary Comparison Schedule – General Fund**  
**For the Fiscal Year Ended June 30, 2023**

	<u>Adopted Original Budget</u>	<u>Board Approved Changes</u>	<u>Revised Budget</u>	<u>Actual Budgetary Basis</u>	<u>Variance Positive (Negative)</u>
<b>Expenditures:</b>					
System operations:					
Services and supplies	\$ 225,814	-	225,814	227,784	(1,970)
<b>Total expenditures</b>	<u>225,814</u>	<u>-</u>	<u>225,814</u>	<u>227,784</u>	<u>(1,970)</u>
<b>Program revenues:</b>					
California State Library Act appropriation	221,254	-	221,254	222,392	1,138
Federal Library Services and Technology Act revenues	-	-	-	363	363
Charges for services	-	-	-	3,007	3,007
<b>Total program revenues</b>	<u>221,254</u>	<u>-</u>	<u>221,254</u>	<u>225,762</u>	<u>4,508</u>
<b>General revenues:</b>					
Member and associate dues	6,660	-	6,660	6,660	-
<b>Total general revenues</b>	<u>6,660</u>	<u>-</u>	<u>6,660</u>	<u>6,660</u>	<u>-</u>
<b>Total revenues</b>	<u>227,914</u>	<u>-</u>	<u>227,914</u>	<u>232,422</u>	<u>4,508</u>
<b>Excess(deficiency) of revenues over expenditures</b>	<u>2,100</u>	<u>-</u>	<u>2,100</u>	<u>4,638</u>	<u>2,538</u>
<b>Fund balance, beginning of year</b>	<u>8,287</u>		<u>8,287</u>	<u>8,287</u>	
<b>Fund balance, end of year</b>	<u>\$ 10,387</u>		<u>10,387</u>	<u>12,925</u>	

**Notes to Required Supplementary Information**

**(1) Budgets and Budgetary Data**

The System follows specific procedures in establishing the budgetary data reflected in the financial statements. Each year the System prepares and submits an operating budget to the Administrative Council for the General Fund no later than June of each year. The basis used to prepare the budget does not differ substantially from the modified accrual basis of accounting. The adopted budget becomes operative on July 1. The Administrative Council must approve all supplemental appropriations to the budget and transfers between major accounts.

The System presents a comparison of the annual budget to actual results for the General Fund at the functional expenditure-type major object level for financial reporting purposes.

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# **Report on Internal Controls and Compliance**

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**Independent Auditor’s Report on Internal Control over Financial Reporting  
and on Compliance and Other Matters Based on the Audit of Financial Statements  
Performed in Accordance with *Government Auditing Standards***

Administrative Council  
Santiago Library System  
Glendale, 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 financial statements of the Santiago Library System (System) as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprises the System’s basic financial statements, and have issued our report thereon dated February 13, 2024.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the System’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 the System’s internal control. Accordingly, we do not express an opinion on the effectiveness of the System’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 and therefore, material weaknesses or significant deficiencies may exist that have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the System’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*.

**Independent Auditor’s Report on Internal Control over Financial Reporting  
and on Compliance and Other Matters Based on the Audit of Financial Statements  
Performed in Accordance with *Government Auditing Standards*, continued**

**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.

**C.J. Brown & Company, CPAs**  
Cypress, California  
February 13, 2024

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**Santiago Library System**

**Management Report**

**June 30, 2023**

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**Santiago Library System**

**Management Report**

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DRAFT

Administrative Council  
Santiago Library System  
Glendale, California

**Dear Members of the Administrative Council:**

In planning and performing our audit of the financial statements of the governmental activities and each major fund of the Santiago Library System (System) as of and for the year ended June 30, 2023, in accordance with 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, we considered the System's internal control over financial reporting (internal control) as a basis for designing 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 the entity's internal control. Accordingly, we do not express an opinion on the effectiveness of the System's internal control over financial reporting.

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 over financial reporting, 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 reasonable possibility exists when the likelihood of an event occurring is either reasonably possible or probable as defined as follows:

- *Reasonably possible.* The chance of the future event or events occurring is more than remote but less than likely.
- *Probable.* The future event or events are likely to occur.

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

This communication is intended solely for the information and use of management, the Administrative Council, and others within the organization, and is not intended to be, and should not be, used by anyone other than these specified parties. This restriction is not intended to limit the distribution of this letter, which is a matter of public record.

We appreciate the courtesy and cooperation extended to us during our examination. We would be pleased to discuss the contents of this letter with you at your convenience. Please do not hesitate to contact us.

**C.J. Brown & Company, CPAs**  
Cypress, California  
February 13, 2024

**APPENDIX**

**Santiago Library System**

**Audit/Finance Committee Letter**

**June 30, 2023**

DRAFT

Administrative Council  
Santiago Library System  
Glendale, California

We have audited the financial statements of the governmental activities and each major fund of the Santiago Library System (System) for the year ended June 30, 2023, and have issued our report thereon dated February 13, 2024.

### **Our Responsibility in Relation to the Financial Statement Audit**

As communicated in our engagement letter dated September 29, 2023, our responsibility, as described by professional standards, is to form and express opinions about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing 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 over financial reporting. Accordingly, as part of our audit, we considered the internal control of the System solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

If any, we have provided our findings regarding significant control deficiencies over financial reporting and material noncompliance, and other matters noted during our audit in a separate letter to you dated February 13, 2024.

### **Planned Scope and Timing of the Audit**

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

### **Compliance with All Ethics Requirements Regarding Independence**

The engagement team, others in our firm, as appropriate, our firm, and our network firms have complied with all relevant ethical requirements regarding independence.

An auditor that is not involved in the engagement performed an independent review of the financial statements that was prepared by us based on the information provided by management. This safeguard reduces the threat of self-review risk to an acceptable level.

### **Significant Risks Identified**

We have identified the following significant risks:

- Management override of controls
- Revenue recognition

### **Qualitative Aspects of the Entity's Significant Accounting Practices**

#### *Significant Accounting Policies*

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by the System is included in Note 1 to the financial statements. There have been no initial selection of accounting policies and no other changes in significant accounting policies or their application during 2023. No other matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

#### *Significant Accounting Estimates*

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments. The most sensitive accounting estimates affecting the financial statements are as follows:

Management's estimate of the fair value of cash and investments is based on information provided by financial institutions. We evaluated the key factors and assumptions used to develop the fair value of cash and investments in determining that it is reasonable in relation to the financial statements taken as a whole.

#### *Financial Statement Disclosures*

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the System's financial statements relate to:

The disclosure of fair value of cash and cash equivalents in Note 2 to the basic financial statements represents amounts susceptible to market fluctuations.

### **Significant Unusual Transactions**

For purposes of this communication, professional standards require us to communicate to you significant unusual transactions identified during our audit. No significant unusual transactions were identified as a result of our audit procedures that were brought to the attention of management.

### **Identified or Suspected Fraud**

We have not identified or have not obtained information that indicates that fraud may have occurred.

### **Significant Difficulties Encountered during the Audit**

We encountered no significant difficulties in dealing with management relating to the performance of the audit.



### **Uncorrected and Corrected Misstatements**

For purposes of this communication, professional standards also require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole and each applicable opinion unit. There were no uncorrected misstatements whose effects in the current and prior periods, as determined by management, are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

### **Disagreements with Management**

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the System's financial statements or the auditor's report. No such disagreements arose during the course of the audit.

### **Circumstances that Affect the Form and Content of the Auditor's Report**

For purposes of this letter, professional standards require that we communicate any circumstances that affect the form and content of our auditor's report. There were no circumstances that affect the form and content of the auditor's report.

### **Representations Requested from Management**

We have requested certain written representations from management, which are included in the letter dated February 13, 2024.

### **Management's Consultations with Other Accountants**

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

### **Other Significant Matters, Findings, or Issues**

In the normal course of our professional association with the System, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, significant events or transactions that occurred during the year, operating and regulatory conditions affecting the entity, and operational plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as the System's auditors.

### **Other Matters**

We applied certain limited procedures to the Management Discussion and Analysis, and Budgetary Comparison Schedules - General Fund, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

**Conclusion**

We appreciate the cooperation extended to us by the System's staff members in the performance of our audit testwork. We will be pleased to respond to any questions you have about the foregoing. We appreciate the opportunity to continue to be of service to the System.

This information is intended solely for the information and use of the System's Administrative Council and management and is not intended to be, and should not be, used by anyone other than these specified parties. This restriction is not intended to limit the distribution of this letter, which is a matter of public record.

**C.J. Brown & Company, CPAs**  
Cypress, California  
February 13, 2024

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**REPORT TO THE EXECUTIVE COMMITTEE  
SANTIAGO LIBRARY SYSTEM**

DATE: February 13, 2024  
FROM: Christine Powers, Executive Director – SCLC/Santiago

SUBJECT: **Discussion of Committee Representatives & Appointment of Teen Services Representative (ACTION)**

BACKGROUND: Santiago Library System Bylaws, Article IV, Section 5 establishes standing staff committees as follows:

There may be standing staff committees as designed by the Executive Council which elect their own officers annually and report to Council. These are voluntary committees and are not ratified by Council. These committees can study, organize surveys, and report to the Council on specific programs.

Santiago currently has five standing committees:

- Technology
- Children’s Services
- Teen Services
- Circulation
- Reference

Recently, the member who represented the Teen Services Committee retired, and thus, is no longer a member of the Council. As such, a new representative should be appointed to this position. There are no requirements in the Bylaws concerning standing committee representatives, how they are appointed, and how long they serve. Given the vacancy, it is recommended that the Council use this opportunity to determine if any procedures should be implemented, in addition to determining who will represent the Teen Services Committee moving forward.

FISCAL IMPACT: None

RECOMMENDATION: Should the Council wish to implement procedures regarding the appointment and terms of committee representatives, a set of procedures can be adopted. At minimum, a member should be appointed to serve as the Teen Services Committee representative.

EXHIBITS: None

California State Library, Library Development Services  
 Cooperative Library System Liaison Report  
*Updated February 8, 2024*

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## State Library News

**LSTA News:** This is a reminder about the federal government’s transition from the use of the D-U-N-S Number to the use of the Unique Entity Identifier (UEI). D-U-N-S numbers are no longer in use. Current federal award recipients and all future applicants/recipients will need to have an active UEI to be eligible to receive or continue to receive federal award funds. To register and/or for more information, please visit [SAM.gov | Entity Registrations](https://sam.gov). If you have questions regarding this, please contact [LSTAGrants@library.ca.gov](mailto:LSTAGrants@library.ca.gov).

## LDS Newsletter

Please sign up today for our forthcoming new [newsletter!](#) Please share this with your teams as well.

## Broadband Program News:

The California State Library has selected the Imperial County Office of Education as the new Broadband Access Administrator, tasked with connecting public libraries to the California Research and Education Network (CalREN, managed by the CENIC Corporation). A Webinar will be held on Friday, February 16 at 10 AM. Register for the webinar here: [California Library Connect – Broadband Access Aggregator Transition](#).

## Open Opportunities

### Groundwork Grants

The California State Library, in partnership with Myriad Consulting & Training, is happy to share exciting news that over \$1 million in funding is available for cultural heritage emergency preparedness projects in California. Funded by the state of California, this [grant opportunity](#) is now open!

### Grant Highlights:

- **Goals:** To provide funds and resources to California institutions with collections, prioritizing those that document underrepresented and historically excluded communities.
- **Scope:** A California-wide initiative to strengthen emergency readiness for institutions with collections of all types.
- **Awards:** Maximum award amount of \$15,000, with options for emergency preparedness support.

### How to Apply:

Application guidelines are available at <https://www.groundworkgrants.org/> Applications are open on a rolling basis until May 31, 2024. Applicants are *strongly encouraged* to receive a free [Ready - or Not assessment](#) before applying. For more information about the grant opportunity, please contact Grace Bautista at [grace@myriadconsultants.org](mailto:grace@myriadconsultants.org).

As natural disasters continue to threaten California's cultural heritage, we hope you'll join us in safeguarding your collections and communities through this extraordinary opportunity.

### Community Impact Grants, Play for All, Sustainable California Libraries, Teens Succeed and eBooks for All

Please check this [webpage](#) for all the information you need about all the opportunities, including funding amounts and application guidelines. To prepare your application, please familiarize yourself with the [California State Library LSTA Five-Year Investment Plan](#).

### Career Online High School

The [Career Online High School](#) (COHS) program **no longer requires libraries to provide a local cash match commitment to participate**. Libraries may opt into the COHS program at any time using the [COHS Interest Form](#), and will receive training and implementation support, have access to the California State Library's universal scholarship supply, and complete a short mid-year and end-of-year report. COHS questions can be sent to [cohs@library.ca.gov](mailto:cohs@library.ca.gov)

## Current Projects and Services

### California Library Literacy Services – Ongoing

The CLLS team will be calculating projected awards for 2024-2025 but awaits report corrections from a number of libraries before we can complete this funding step. If your library has comments or budget modifications that need resolution, please complete as soon as possible. Please note that the final 10% of 2023-2024 adult literacy funding will be released to libraries when the mid-year report is approved. For more information, contact [clls@library.ca.gov](mailto:clls@library.ca.gov).

The Literacy Initiatives project will be holding an **all-CLLS conference** at Asilomar Conference Center on **May 21-23, 2024**. One person from each program may attend free of cost (training/hotel/meals/travel covered), and programs may also use CLLS or local funds to support additional staff attendance. Details and registration information will be posted on the CLLS listserv. Questions? Contact [clls@library.ca.gov](mailto:clls@library.ca.gov).

The Writer to Writer Challenge for adult learners will be held on a statewide basis, in conjunction with the 40<sup>th</sup> anniversary of CLLS in 2023-2024, with **entries due no later than Feb.**

**15, 2024.** We have also added networking calls for **small/rural CLLS libraries** and anticipate additional communities of practice to be announced later this fiscal year. Training continues for CLLS program staff and volunteers, including monthly networking calls and more. Please visit the CLLS training and meeting [calendar](#).

The next CLLS Coordinator/Staff Networking Call will be Wednesday, February 21, from 2-3 p.m. For more information, contact [cls@library.ca.gov](mailto:cls@library.ca.gov).

### California Libraries Learn (CALL) - Ongoing

Plan your professional development by visiting [www.callacademy.org](http://www.callacademy.org) and the CALL [calendar](#) to explore the options. Look at the CALL [blog](#) for relevant training on grant writing, co-design, and other high-interest topics. Any library worker may subscribe to the [Leadership for All monthly mailings](#). CALL has its own newsletter, *CALL Letters*, and users may [subscribe](#) directly. CALL also launched a printable schedule for libraries to distribute to staff without newsletter access. Have a good idea? CALL Homegrown features learning opportunities suggested and designed by California library staff; anyone can complete the [CALL for Presentations](#). Encourage your staff members to [create a login](#) to access the many online, self-paced learning opportunities available through [CALL Academy](#). LSTA funded.

### Connected California Digital Navigators - Ongoing

The free, virtual, bilingual (English & Spanish) [Connected California](#) Digital Navigators service helps Californians:

- access free and low-cost internet and devices
- grow digital skills
- discover library and community resources

LSTA funded.

### Get Connected! Affordable Connectivity Program & State Digital Equity Plan - Ongoing

Help close the Digital Divide by informing your community about the Affordable Connectivity Program (ACP): ACP is helping millions of eligible households throughout the U.S. save hundreds of dollars on Home Internet. This federally funded initiative offers a \$30 monthly discount on Home Internet (up to \$75 per month for households on qualifying Tribal Lands) and a one-time discount of up to \$100 for a computer or a tablet. Even better: when the ACP discount is used with the right plan, Home Internet can be FREE for your family. To learn more and to enroll in ACP please visit [www.internetforallnow.org/applytoday](http://www.internetforallnow.org/applytoday) and to find resources to promote the Affordable Connectivity Program at your library visit [www.internetforallnow.org/acp-toolkit](http://www.internetforallnow.org/acp-toolkit). For more information on getting involved in the State Digital Equity Plan visit: <https://broadbandforall.cdt.ca.gov/state-digital-equity-plan/> State of CA funded.



### Tutoring Project – Ongoing

Every internet connected Californian is now able to access live, 24/7 online tutoring and homework help in all K-12 subjects. The passing of [AB 128](#) by the California State Legislature enabled the California State Library to partner with the Pacific Library Partnership in bringing this service to all CA Public Libraries. All California public libraries are able to offer Brainfuse's online tutoring and homework assistance service, HelpNow, to their users for two years at no cost. Every California student, with or without a library card, has access to 24/7 online tutoring in core K-12 subjects. Spanish language tutors will be available as well as tutors fluent in Mandarin, Cantonese, Vietnamese, and Tagalog.

[See here for Full details on the Statewide tutoring project.](#) State of CA funded.

For Online Tutoring questions, email [catutoring@library.ca.gov](mailto:catutoring@library.ca.gov).

### Parks Pass Program – Ongoing

Cindy Zalog, the full-time Parks Pass manager, can be reached at [cindy.zalog@library.ca.gov](mailto:cindy.zalog@library.ca.gov) for all questions, ideas, and feedback.

A [toolkit](#) is available to support marketing, circulation, programming, and more. It has been updated to make the information cleaner and more accessible. The public can access information on the State Parks Pass at [checkoutcastateparks.com](http://checkoutcastateparks.com).

If you need more parks passes, bookmarks, or survey flyers, [please fill out the new order form from State Parks](#). For any questions, email [parkspass@library.ca.gov](mailto:parkspass@library.ca.gov). State of CA funded.

### Public Library Staff Education Program

The [California Public Library Staff Education Program](#), developed in partnership with the Southern California Library Cooperative, received 209 student applications for the 2023-24 year! Thank you to all library staff who applied. For any questions, email [wwalker@socalibraries.org](mailto:wwalker@socalibraries.org) LSTA funded.

### PebbleGo Science: Early Literacy in STEM - Ongoing

The PebbleGo Science resource provides age-appropriate content (for ages preschool through second grade) and interactive activities in STEM subjects (science, math, technology and engineering), and is available in both English and Spanish. The resource also includes a collection of 25 interactive eBooks in both languages as well.

Fill out the [form](#) on the [PebbleGo California site](#) to be sent information on how to connect to your Integrated Library System. The setup form is created for the school library environment, but if you fill it out, it will open a ticket with Capstone and a technician will get in touch with your library to walk you through the authentication process.

## Ready or Not

The [“Ready – Or Not” Cultural Heritage Disaster Preparedness Project](#) team invites California-based cultural heritage organizations to view information sessions tailored to organizations just getting started on their disaster plan, community archives, organizations with limited resources, remote and rural museums, tribal cultural heritage organizations, and public libraries. These half-hour online information sessions summarize the state-funded project and explore ways to engage in emergency preparedness consultations. Recordings can be viewed at ["Ready – Or Not": Cultural Heritage Disaster Preparedness Project](#). If you have additional questions, reach out to the team at [CAready@nedcc.org](mailto:CAready@nedcc.org) State of CA funded.

## Networking and Training

### TeachingBooks: Prepare for Summer Reading with TeachingBooks

The California State Library invites you to join us on Thursday, January 18, 2:00pm-2:40pm for this informative webinar: **Prepare for Summer Reading with TeachingBooks**

Find new inspiration and discover how your state-funded access to TeachingBooks resources can be easily integrated into your summer reading program. Locate lists of themed summer reading titles, whether you’re using CSLP or iRead. Designing your own program? Use TeachingBooks to create unique lists and discover how to find, share, and incorporate Meet-the-Author recordings, book trailers, and activity kits to enrich the summer reading experience.

[Register in advance for the webinar](#)

This webinar is for all public library staff. Funding is provided by the State of California for education at the direction of the California State Library.

### Community-Centered Libraries: Harnessing the Power of Data to Equitably Serve Your Community

A yearlong initiative brought to you by the State Library and the Pacific Library Partnership, [Community-Centered Libraries](#) offers training and tools to help libraries make data-driven decisions for community impact. Training is offered in multiple formats to meet the needs of all California Library Staff. Read more in the CALL blogpost [Choose Your Own Data Adventure!](#)

This initiative includes [free PolicyMap accounts](#) for all California public library staff. The online mapping tool, which includes library jurisdiction boundaries, enables users to view rich data about the communities in your service areas. [View a recording of the initial training session](#) and [request an account today!](#) LSTA funded.

## Building Equity-Based Summers Learning Series

For information on the Building Equity Based Summers Project please visit: [Building Equity-Based Summers - California State Library](#) or email [bebs@cla-net.org](mailto:bebs@cla-net.org)

### Career Pathways Workforce & Upskilling Resources: 2024 Webinars & Resources

The 2024 CAREer Pathways webinar series is now posted. Learn more about the online resources on the [CAREer Pathways Staff Resource page](#), where you can find platform details, administration, marketing materials and more. Library staff can also [view the archived webinars on the CALL Academy CAREer Pathways channel](#).

Register for upcoming CAREer Pathways webinars by following the links below:

- **Troubleshooting and FAQs for CAREer Pathways Resources**  
Wednesday, February 21, 2024, 11:00 am – 12:00 pm
- **Northstar: Implementation and Outreach**  
Wednesday, March 13, 2024, 11:00 am – 12:00 pm
- **Northstar: How Patrons Can Use It**  
Wednesday, April 3, 2024, 11:00 am – 12:00 pm

New to the library or not sure which platforms your library offers? Check out the [CAREer Pathways Services Locator map](#).

The January budget does not include funds to continue CAREer Pathways in the fiscal year that begins July 1, 2024.

The January budget is a proposed budget, and the spending plan proposed in January isn't the budget that will be signed by the Legislature, or the one signed by the governor, six months from now. However, at this time, this program is not included for funding in the state budget and is scheduled to conclude September 2024.

If you have any questions, please contact: [CAPathways@library.ca.gov](mailto:CAPathways@library.ca.gov) or see the [CAREer Pathways Staff Resources page](#).

## Online Tutoring Training 2024

HelpNow for Spanish Speakers

Wednesday, March 13, 2024, 3:30–4:30 pm

HelpNow provides 24/7 assistance in Spanish for Language Arts and Mathematics. Other core subjects are available in Spanish 10am to 10pm every day. Join us to learn more about options

available to Spanish speakers and how to promote this statewide service to ensure it is accessible for everyone.

This webinar is for all library workers and educators, from frontline staff to administrators. The webinar will be recorded for future viewing.

[Register in advance for the Spanish Speakers webinar](#)

### Next Directors Networking Call

We look forward to hearing from our special guests, sharing State Library news, and having time for open discussion in small groups. The next Public Library Directors Networking Call is scheduled for **Wednesday February 21, 2024, from 3:30 to 4:30 p.m.** Registration information will be available soon.

*Projects marked “LSTA funded” are supported in whole or in part by the U.S. Institute of Museum and Library Services under the provisions of the Library Services and Technology Act, administered in California by the State Librarian.*

*Projects marked “State of CA funded” are supported in whole or in part by funding provided by the State of California, administered by the California State Library.*



**Santiago Meeting Dates FY 2023/24**

*Approved May 16, 2023*

**Tuesday, August 15, 2023**

2:00pm

*Placentia*

**Tuesday, November 14, 2023**

2:00pm

*Newport Beach*

**Tuesday, February 13, 2024**

2:00pm

*Yorba Linda*

**Tuesday, May 14, 2024**

2:00pm

*Anaheim*