



Joint Powers Authority Governing Board

Rick DeGolia, Atherton

Julia Mates, Belmont (Vice Chair)

Karen Cunningham, Brisbane (Chair)

Antonio López, East Palo Alto

Art Kiesel, Foster City

Deborah Penrose, Half Moon Bay

Vacant, Millbrae

Tygarjas Bigstyck, Pacifica

Sarah Wernikoff, Portola Valley

Sara McDowell, San Carlos

Warren Slocum, San Mateo County

Dick Brown, Woodside

**San Mateo County Library Joint Powers Authority
Governing Board Agenda
November 4, 2024, 8:15 a.m.**

Meetings of the Joint Powers Authority Governing Board will be held in-person and by teleconference pursuant to Government Code Section 54953(b). Members of the public are able to join this hybrid meeting remotely via the Zoom platform by using the link below or in person at a meeting location identified below.

<https://SMCL.zoom.us/j/99540690083?pwd=TkVtU085TDdFeFJpNHdZdGlRQ3QzUT09>

Or Telephone: +1 669 900 6833 Meeting ID: 995 4069 0083 Password: 663908

Meeting Locations:

Library Administration, 125 Lessingia Court, San Mateo, CA 94402

121 Steuart Street, San Francisco, CA 94105

In compliance with Title II of the Americans with Disabilities Act, the County will provide reasonable accommodations for persons with disabilities. If possible, please give three (3) business days advance notice of any accommodation needs by contacting Priscilla Bermudez at (650) 339-2247 and/or bermudez@smcl.org or call the California Relay Service (711).

For the benefit of individuals who are sensitive to fragrances, please refrain from wearing fragranced or scented products.

In addition, members of the public may also email written public comments in advance of the meeting to Priscilla Bermudez at bermudez@smcl.org. Your email should include the specific agenda item on which you are commenting or note that your comment concerns an item not on the agenda. The Board will make reasonable efforts to read into the record all emails received before the meeting. All emailed written comments, regardless of when received, will be included in the administrative record.

If you believe the County has not met your rights under Title II of the Americans with Disabilities Act, please contact Anne-Marie Despain at (650) 312-5245 and/or despain@smcl.org or call the California Relay Service (711).

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| I. Call to Order | Action |
| II. Public Comments | Information |
| III. Consent Agenda | Action |
| A. Approval of the September 16, 2024 Meeting Minutes | |
| B. Approval of Response to Grand Jury Report: "Assessing and Reporting Internal Controls in San Mateo County Agencies and School Districts" | |
| C. Approval of the Regular Governing Board Meeting Schedule for 2025 | |
| D. Director's Report | |
| IV. Approval of Library Policies | Action |
| V. Draft 2025-2030 Strategic Plan | Action |
| VI. Governing Board Members Announcements | Information |
| VII. Adjournment | Action |



San Mateo County Libraries Joint Powers Authority
Governing Board Meeting
Minutes of September 16, 2024

Board Members Present:

Rick DeGolia, Atherton
Julia Mates, Belmont (Vice Chair)
Karen Cunninghame (Chair)
Art Kiesel, Foster City
Antonio Lopez, East Palo Alto
Tygarjas Bigstycyk, Pacifica
Sara McDowell, San Carlos
Warren Slocum, San Mateo County
Dick Brown, Woodside

Staff Present:

Anne-Marie Despain
Carine Risley
Lindsey Freeland
Priscilla Bermudez

Others Present:

Mona Abboud, InterEthnica

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- I. Call to Order. The meeting was called to order at 8:19 a.m. by Chair Cunningham.
 - II. Public Comments. A member of the public voiced support for the installation of a drive-up book drop at the San Carlos Library.
 - III. Consent Agenda. The Consent Agenda included the Approval of the June 17, 2024 Minutes, the Investment Report for FY 2023-24, the Grant and Fundraising Report for FY 2023-24 and the Director's Report.

Motion: Approve the Consent Agenda without changes. Passed (MSP: Bigstycyk/DeGolia).
 - IV. Strategic Planning Report. Deputy Director Risley provided a brief overview of the Strategic Planning Report and introduced strategic planning consultant Mona Abboud, who presented the results of the community engagement and highlighted key findings. Member DeGolia noted a potential discrepancy in the demographic data for the 13-15 age group on slide 6. Vice Chair Mates asked if any questions were asked to gauge the respondents existing knowledge of library services. Member McDowell congratulated everyone involved with the libraries for achieving an impressive 98% approval rating in the survey results. Members then discussed the survey findings, covering topics such as staff perceptions, barriers to accessibility, the focus group selection process, and the survey's length and methodology.

Motion: Accept the Strategic Planning Report. Passed (MSP: Mates/Bigstycyk).
 - V. Proposed Uses of Restricted Library Funds. Financial Services Manager Freeland provided an overview of the FY 2024-25 Proposed Uses of Restricted Library Funds report. She summarized the subcommittee's recommendations which were approved by the Operations Committee and include, establishing a Trust Fund for Library JPA Excess

Funds, using actual or contractual obligations for approved activities, disallowing proposed uses of Restricted Library Reserves, and disallowing approval for proposed uses in future fiscal years. Financial Services Manager Freeland also reviewed the proposed uses from members for FY 2024-25. Members proposed uses for FY 2024-25 total \$2,688,603 and are as follows: Atherton proposes \$1,005,902 for ongoing maintenance, utilities, and building improvements, including power resiliency and construction and project management for a Children's Nature Garden. Foster City proposes \$40,700 to update three curb ramps to meet current ADA standards. Portola Valley proposes \$86,251 for ongoing maintenance, custodial services, utilities, and overhead. San Carlos proposes \$1,377,300 to fund major upgrades, including updating the second floor of the building for a makerspace and preparing the roof for solar panel installation. Woodside proposes \$170,450 for ongoing custodial services, utilities, and overhead, as well as building and grounds improvements. Member DeGolia asked clarification on whether the \$3.75 million amount listed for FY 23-24 represents excess taxes for Atherton, San Carlos, and Woodside, and if it indicates that Portola Valley and Foster City did not have excess taxes. Financial Services Manager Freeland confirmed that was correct. Member McDowell asked for background regarding the decision around the 50/50 split. Director Despain and Member DeGolia provided background on the provision which was studied by a Subcommittee established by the Governing Board. An updated provision was approved and the Library JPA Agreement was amended and approved by member cities about ten years ago. The discussion touched on the unique needs of cities in terms of library facilities and how the 50/50 implementation was new. Member Slocum inquired why the North Fair Oaks library was not included in the report, noting that it requires improvements. Financial Services Manager Freeland clarified that proposed uses are restricted to areas receiving excess funds. Member Mates acknowledged the complexity of this topic and suggested a future study session to explore it in more depth.

Motion: Approve the proposed uses of restricted Library Funds in FY 2024-25. (MSP: Lopez/Brown).

- VI. Approval of the Final FY 2024-25 Adopted Budget. Financial Services Manager Freeland provided a brief overview of the proposed FY 2024-25 Adopted Budget and highlighted the most significant changes. The Recommended Budget was approved by the JPA Governing Board on June 17 and implemented on July 1 totaling \$78,782,567. Based on fiscal year-end closing activities and updated information, the Adopted Budget now totals \$89,834,096. Member DeGolia inquired about the source of the additional \$10.6 million in budget adjustments since June. Financial Services Manager Freeland explained that the amount came from various sources, including an unbudgeted \$1.4 million payback from Atherton, almost \$3 million in excess ERAF funds, higher-than-expected interest earnings, and \$4 million in project rollovers, which contributed to the overall surplus. Member Brown raised concerns regarding the potential impact of the state budget deficit on libraries. Director Despain said that budget planning will begin soon and be on the February agenda.

Motion: Approve the Final FY 2024-25 Adopted Budget. Passed (MSP: DeGolia/McDowell).

- VII. Governing Board Member Announcements. Member Brown provided an update on his collaboration with the Town of Atherton, and the libraries to address the increasing concerns of aging populations, encouraging others to consider similar initiatives in their own communities. Member Bigstyck, Chair Cunningham, and Member Brown invited members to participate in upcoming local events in their respective communities. Director Despain highlighted key updates from the Director’s Report, including Staff Development Day and the release of the 2023-24 Annual Report.

- VIII. Convene Closed Session: Convene Closed Session: Public Employee Performance Evaluation Closed Session Pursuant to Government Code Section 54957 (Director of Library Services).

- IX. Adjournment. The meeting adjourned at 10:10 a.m.



To: JPA Governing Board

From: Anne-Marie Despain, Director of Library Services 
Lindsey Freeland, Financial Services Manager

Date: October 30, 2024

Meeting: November 4, 2024

Re: Approval of Response to Grand Jury Report: "Assessing and Reporting Internal Controls in San Mateo County Agencies and School Districts"

Background

On June 27, 2024, a Grand Jury Report, "San Mateo County Civil Grand Jury Report: Assessing and Reporting Internal Controls in San Mateo County Agencies and School Districts," was filed. This report included three findings and three recommendations for agencies listed in the report, including San Mateo County Libraries, and requested that, pursuant to Penal Code Section 933.05 and the Brown Act, a response be approved by the Library JPA Governing Board.

Discussion

The Grand Jury Report does not find any specific issues to report for San Mateo County Libraries, but rather is recommending all entities listed adopt more explicit practices of internal controls in alignment with federal government best practices. Specifically, the report included the following findings and recommendations:

Grand Jury Report Findings

1. When an entity does not have a process to identify organizational risks, and the entity does not demonstrate how its internal controls address identified risks, the likelihood of a failure in internal controls that results in fraud or waste increases.
2. When an entity does not periodically assess its internal controls and the entity cannot demonstrate that it is monitoring its internal controls, the likelihood of a failure in internal controls that results in fraud or waste increases.
3. When management does not report the results of its assessments of internal controls to its governing board and the entity has not communicated externally, the likelihood that others see this as an opportunity to commit fraud or waste increases.

Grand Jury Report Recommendations

1. Beginning by no later than December 31, 2024, and at least annually thereafter, each entity will document its organizational risks and address those risks in its annual Assessment of Internal Controls.
2. Beginning by no later than March 31, 2025, and at least annually thereafter, each governing board will require its management to complete its annual assessments of internal controls.
3. Beginning by no later than June 30, 2025, and annually thereafter, each governing board will require management to report the results of its annual assessment of the entity's internal controls.

Library staff have drafted a response attached to this item. Library staff propose agreeing with all findings and recommendations in the report, but to move forward with an organizational risk assessment every three to five years, as opposed to the recommendation of annually, given the small size of our organization.

Fiscal Impact

There is no fiscal impact associated with this item.

Recommendation

Recommend the Library JPA Governing Board approve the Library JPA response to the Grand Jury Report, "San Mateo County Civil Grand Jury Report: Assessing and Reporting Internal Controls in San Mateo County Agencies and School Districts," and authorize the Director to sign and submit the response. Operations Committee members present at the October 29, 2024 meeting concurred with this recommendation.

Attachments

1. Library JPA Response to the Grand Jury Report, "San Mateo County Civil Grand Jury Report: Assessing and Reporting Internal Controls in San Mateo County Agencies and School Districts."
2. Grand Jury Report, "San Mateo County Civil Grand Jury Report: Assessing and Reporting Internal Controls in San Mateo County Agencies and School Districts."



November 5, 2024

Honorable Amarra A. Lee
Judge of the Superior Court
c/o Bianca Fasuescu
Superior court of California, County of San Mateo
Hall of Justice and Records
400 County Center, 2nd Floor
Redwood City, CA 94063-1655

Re: San Mateo County Civil Grand Jury Report: Assessing and Reporting Internal Controls in San Mateo County Agencies and School Districts

Honorable Judge Lee,

San Mateo County Library Joint Powers Authority (Library JPA) hereby submits this letter in reply to your request for responses to the San Mateo Grand Jury Report, "San Mateo County Civil Grand Jury Report: Assessing and Reporting Internal Controls in San Mateo County Agencies and School Districts."

Pursuant to Penal Code Section 933.05 and the Brown Act, this response was approved by the Library JPA Governing Board at the November 4, 2024 public meeting.

Library JPA staff have reviewed the report's three findings and agree with the findings in principle based on the information collected by the Grand Jury. Library JPA staff provide the following responses to the report's three recommendations:

1. Beginning by no later than December 31, 2024, and at least annually thereafter, each entity will document its organizational risks and address those risks in its annual Assessment of Internal Controls.

Response: While the Library JPA does not have a formal internal controls assessment process, it does conduct an annual audit that includes a high-level review of internal controls by an outside auditing firm. The Library JPA agrees that a formal internal controls assessment, separate from the external audit, would further help prevent fraud and waste.

Library JPA staff are currently evaluating options to comply with this recommendation. Given the timing of the release of the report, we will aim to complete our first assessment by December 31, 2025. Due to the Library JPA's small size, we are

considering performing an assessment every three to five years and continuing to conduct a review of internal controls assessment through the annual audit.

2. Beginning by no later than March 31, 2025, and at least annually thereafter, each governing board will require its management to complete its annual assessments of internal controls.

Response: Given the timing of the release of the report, Library JPA staff will create a schedule for assessing internal controls by March 31, 2026.

3. Beginning by no later than June 30, 2025, and annually thereafter, each governing board will require management to report the results of its annual assessment of the entity's internal controls.

Response: Given the timing of the release of the report, Library JPA staff will create a schedule for reporting assessments of internal controls by June 30, 2026.

If you have any questions concerning the Library JPA response, please do not hesitate to contact me at despain@smcl.org.

Sincerely,

Anne-Marie Despain
Director of Library Services
San Mateo County Libraries

Administration
125 Lessingia Court
San Mateo CA 94402
650.312.5258
smcl.org

Atherton
2 Dinkelspiel Station Lane
Atherton CA 94027

Belmont
1110 Alameda de las Pulgas
Belmont CA 94002

Brisbane
163 Visitacion Avenue
Brisbane CA 94005

East Palo Alto
2415 University Avenue
East Palo Alto CA 94303

Foster City
1000 East Hillsdale Boulevard
Foster City CA 94404

Half Moon Bay
620 Correas Street
Half Moon Bay CA 94019

Millbrae
1 Library Avenue
Millbrae CA 94030

North Fair Oaks
2510 Middlefield Road
Redwood City CA 94063

Pacifica Sanchez
1111 Terra Nova Boulevard
Pacifica CA 94044

Pacifica Sharp Park
104 Hilton Way
Pacifica CA 94044

Portola Valley
765 Portola Road
Portola Valley CA 94028

San Carlos
610 Elm Street
San Carlos CA 94070

Woodside
3140 Woodside Road
Woodside CA 94062

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Assessing and Reporting Internal Controls in San Mateo County Agencies and School Districts

“FAILURE OF ANY CONTRIBUTES TO PUBLIC DISTRUST OF ALL”

ISSUE

San Mateo County, Cities, Special Districts, Joint Power Authorities, or Schools are not assessing internal controls and are not reporting the results of assessments to governing boards and the public.

SUMMARY

Our government faces risks, including fraud and waste.

Internal controls are put in place by an entity's oversight body, management, and other personnel to provide reasonable assurance that the entity will achieve its objectives. Internal controls in our government are key to ensuring that goals are met without fraud and waste and are critical to the public trust. An example of an internal control is having separate people approve a transaction before paying the bill for that transaction.

Internal controls hit the public eye back in the 1990s, after the scandals at Enron, WorldCom and other organizations, all of which served as examples of fraud and waste. The United States Congress reacted in 2002 by enacting the laws known as Sarbanes–Oxley that impact publicly-traded companies. In 2015, the State of California issued “Internal Control Guidelines - California Local Agencies” covering the need for internal controls in government entities.

Given the enormity of the challenge of reviewing individual controls at any one agency, the Civil Grand Jury looked into the way government entities in San Mateo County assess their internal controls and how the results of those assessments are reported to governing boards and to the public. Assessments and reporting should follow the State of California guidelines and the underlying referenced guidelines from the Green Book and the Committee of Sponsoring Corporations. Management’s assessment of internal controls and communication, both internally within an entity and externally to the entity’s constituents, are key principles of internal controls.

Too many examples of lack of or failed internal controls exist, including recent news stories about taxpayer money used for constructing personal residences in train stations in Burlingame and San Mateo that are referenced in the attached Appendix.

The Civil Grand Jury learned from survey respondents that all of them do have established internal controls and publish external audit reports. Most of them, however, do not assess internal controls and do not communicate with governing boards or the public regarding management of internal controls. Of the few entities that do assess internal controls, they do not report those results.

The Civil Grand Jury recommends timely and documented assessments of internal controls with clear, appropriate reports from management to governing-boards and to the public to reduce the risk of failed internal controls, to enhance public confidence in our government and to improve the efficiency of external audits.

By rule of the Civil Grand Jury, the recommendations included in this report can only be sent to entities that participated in interviews with the Civil Grand Jury. While the Civil Grand Jury could not efficiently interview all entities that participated in surveys, common sense suggests that these recommendations are applicable to all entities within San Mateo County. The current Civil Grand Jury encourages future civil grand juries to investigate the recommendations in this report as appropriate, to help optimize trust in the integrity of internal controls in San Mateo County government.

GLOSSARY

Assessment and Evaluation

Assessment for the purpose of this report is defined in the Green Book as follows: “To determine if an internal control system is effective, management assesses the design, implementation, and operating effectiveness of the five components and 17 principles.” Examples in an internal control assessment include to confirm and document that all requisitions are properly approved and that payments for goods or services are made by authorized individuals. This process helps management and stakeholders have confidence in the reliability of financial reporting, compliance with laws and regulations, and the overall integrity of the organization's operations. In general, Assessment and evaluation can be used interchangeably.

Committee of Sponsoring Organizations of the Treadway Commission (COSO)

The Committee of Sponsoring Organizations of the Treadway Commission (COSO) is an organization that develops guidelines for businesses to evaluate internal controls, risk management, and fraud deterrence.

Enterprise Risk Management (ERM)

Enterprise risk management is an entity-wide strategy to identify and prepare for hazards with the entity's finances, operations, and objectives.

Entity

An Entity for this report is San Mateo County, Cities, Special Districts, Joint Power Authorities, or Schools.

External Auditor

An external auditor is a public accountant who conducts audits, reviews, and other work for its clients. An external auditor is independent, and so is in a good position to make an impartial evaluation of the financial statements and systems of internal controls of those clients.

Green Book

Standards for internal control in the Federal Government issued by the General Accounting Office of the U.S. Government.

Internal Auditor

An internal auditor is responsible for reviewing a company's processes, identifying anomalies, and reporting any issues found to management. An internal auditor is an employee of a company, so is not independent of the company.

Internal Controls

A process effected by those charged with governance, management, and other personnel that is designed to provide reasonable assurance about the achievement of the entity's objectives with regard to the reliability of financial reporting, effectiveness and efficiency of operations, and compliance with applicable laws and regulations. Internal control over safeguarding of assets against unauthorized acquisition, use or disposition may include controls relating to financial reporting and operations objectives.

Management

Management consists of those individuals directly responsible for all activities of an entity, including design, implementation and operation of an internal control system.

Oversight Body

The oversight body is the group responsible for overseeing the strategic direction of the entity and obligations related to the accountability of the entity, including management's design, implementation and operation of an internal control system. The oversight body may include elected or appointed officials and employees of the Entity.

BACKGROUND

Internal controls help an entity's management achieve its objectives. Also, internal controls help an entity run its operations efficiently and effectively, report reliable information about its operations and comply with applicable laws and regulations.

The need for internal controls applies to all entities, regardless of size. Large complex entities have different risk profiles than small, less-complex entities. All entities seek to control risk appropriate for its operations, designing and implementing internal controls for its own particular risk profile. Even small, less-complex entities face risks that demand related internal controls.

Whether an internal control is followed or not is not a matter of materiality. A failure in what might seem to someone to be a trivial control is the same as a failure in what everyone might consider to be a very important control. There are no big or small controls, just controls. Failure in any contributes to public distrust of all.

The Green Book, which sets the standards for an effective internal control system for federal agencies, identifies five components of an internal control system:

- Control Environment
- Risk Assessment
- Control Activities
- Information and Communication
- Monitoring

Each of these components applies to different levels of an organizational structure, such as a Parks and Recreation Department within a City Government.

The Green Book summarizes 17 Principles of Internal Control for these five components as:

Control Environment

1. The oversight body and management should demonstrate a commitment to integrity and ethical values.
2. The oversight body should oversee the entity's internal control system.
3. Management should establish an organizational structure, assign responsibility, and delegate authority to achieve the entity's objectives.
4. Management should demonstrate a commitment to recruit, develop, and retain competent individuals.
5. Management should evaluate performance and hold individuals accountable for their internal control responsibilities.

Risk Assessment

6. Management should define objectives clearly to enable the identification of risks and define risk tolerances.
7. Management should identify, analyze, and respond to risks related to achieving the defined objectives.
8. Management should consider the potential for fraud when identifying, analyzing, and responding to risks.
9. Management should identify, analyze, and respond to significant changes that could impact the internal control system.

Source: GAO. | GAO-14-704G

Control Activities

10. Management should design control activities to achieve objectives and respond to risks.
11. Management should design the entity's information system and related control activities to achieve objectives and respond to risks.
12. Management should implement control activities through policies.

Information and Communication

13. Management should use quality information to achieve the entity's objectives.
14. Management should internally communicate the necessary quality information to achieve the entity's objectives.
15. Management should externally communicate the necessary quality information to achieve the entity's objectives.

Monitoring

16. Management should establish and operate monitoring activities to monitor the internal control system and evaluate the results.
17. Management should remediate identified internal control deficiencies on a timely basis.

Each entity's oversight body is specifically responsible for oversight of internal control. Each entity's management is responsible for the design, implementation and maintenance of internal controls.

Each entity's internal controls are its own – no one would expect all entities to have the same internal controls, because all entities are different.

The Civil Grand Jury found examples of fraud and waste in government listed in the appendix. Each of these examples likely reflects a failure of internal controls to prevent or detect fraud and waste. In other words, you ordinarily can't have a problem with fraud and waste without a failure in internal controls.

Focus on the Control Environment, Information and Communication and Monitoring principles

The Civil Grand Jury focused on the control environment, information and communication and monitoring principles of internal control, seeking information about:

- *Control Environment Principle* - how governing boards oversee internal controls, such as a review of management's report on its assessment of internal controls.
- *Information and Communication Principle* - how management reports to the governing board regarding its assessment of internal control and how management's assessment of internal controls is communicated to the public, such as through an agenda item in a public meeting of the governing board.
- *Monitoring Principle* - information about how management monitors its internal control systems, such as management's assessment of internal controls.

It is of note that this investigation did not evaluate the quality of any entity's internal control or the effectiveness of an entity's internal controls.

The Civil Grand Jury sent a survey, received responses and confirmed survey responses via interviews with the 28 entities from whom it requests responses. However, common sense suggests each of the recommendations included in this report apply to all entities in the County.

The Civil Grand Jury recognizes that for a variety of reasons, management may not want to publicly report its controls and results of investigations. For example, an internal report might include details of needs for improving controls that might be considered a roadmap for fraud until the improvements are in place. Management reports available to the public through public release or materials for a public meeting could exclude such details, while the report available to the public could include an appropriate summary of information from an assessment.

METHODOLOGY

Preliminary Research

The Civil Grand Jury reviewed the websites of San Mateo County public entities and public media related to fraud and waste in government.

Preliminary Interview

To better understand, as a baseline, how the County Controller's Office oversees its internal controls, the Civil Grand Jury interviewed the Controller's Office of the County of San Mateo.

Survey and Survey Response Analysis

The Civil Grand Jury designed a survey focused on an entity's assessment of its internal controls, reporting, training and risk evaluation. See Appendix A for the survey. The Civil Grand Jury sent the survey to 75 entities.

The Civil Grand Jury reviewed and analyzed the responses.

Interviews with Entities

By rule, the Civil Grand Jury must interview an entity to use that entity's responses to a survey as a matter of fact. The Civil Grand Jury interviewed 28 entities, mostly focusing on entities that did not conduct an assessment of its internal controls in the last 18 months.

The Civil Grand Jury also interviewed a Certified Public Accountant with experience serving as external auditor of entities within San Mateo County.

DISCUSSION

Regulatory History

In 2013, our California Assembly approved Bill No. 1248, to require the state controller to establish internal controls for California local agencies. Bill No. 1248 applies to the County of San Mateo and the cities, special districts and other local government entities, except school districts. Bill No.1248 appears in the California Government Code section 12422.5.

In 2014, The General Accounting Office (GAO) of the U.S. Government issued the Green Book. The U.S. Comptroller General prescribes internal control standards in the Green Book for the federal government. The Green Book says that state, local and quasi-governmental agencies and not-for-profit organizations may adopt the Green Book as a framework for an internal control system.

In 2015, the California State Controller's Office issued "Internal Control Guidelines - California Local Agencies" to comply with California Government Code section 12422.5. The State Guidelines refer to the Green Book, among other resources.

The State Guidelines refer to the same structure of internal controls in the Green Book as well as the Committee of Sponsoring Organizations of the Treadway Commission (COSO) publications, both of which refer to the Governing Board's responsibility to ensure completion of periodic risk assessments and to oversee internal controls.

Schools in San Mateo County are governed by the California Education Code (EDC). The county superintendent of schools may review or audit internal controls of any school district in its county per the California Education Code section 1241.5. The guidance in the Green Book and the State Guidelines naturally apply.

Tone at the Top

The oversight body and management set the tone at the top and throughout the organization by its example. Tone at the top is fundamental to effective internal controls. The tone at the top helps ensure:

- the entity's risk identification is complete
- risk responses are appropriate
- control activities are appropriately designed or implemented
- information and communication are effective
- results of monitoring are understood and acted upon.

Accountability for Performance

The State Guidelines include a section on Accountability for Performance, including:

- establishing mechanisms for holding individuals accountable for internal control responsibilities, which naturally include the oversight body and management
- establishing performance measures for all levels of the organization
- performing timely evaluations and aligning incentives with the fulfillment of internal control responsibilities.

All governing bodies and its management have basic responsibilities regarding internal controls, even if the State Guidelines do not specifically refer to those basic responsibilities. Those responsibilities naturally include:

- Oversight boards must demonstrate its oversight of management's internal controls, such as clear and timely reporting on its review of internal controls
- Management's reports on internal controls should be clearly and readily available to the public
- Management must be evaluated for its assessments of internal controls and its external reporting.

Role of the External Auditor

External auditors are not considered a part of an entity's internal controls. While management may look into and use recommendations by external auditors, management owns the entity's internal controls. Management may communicate with and get quality information from its external auditors as it monitors and maintains internal controls.

Management may hire an external service provider to conduct assessments of internal controls. Data from these assessments can aid management ensuring that the entity's internal controls are appropriate for that entity. In conducting an audit, external auditors may rely on these assessments, which could result in a more efficient and less expensive external audit.

The Civil Grand Jury found through its research **that audits uncover only about 4% of fraud.**

Several entities we interviewed stated that they rely on or interact with its external auditors as part of its internal controls. Comments from respondents included:

- We have been using the external auditors and have been reviewing the internal controls with them annually.
- This is done with the regular annual audit. We do not have reasons to justify an additional assessment.
- Annually, the internal controls are updated as part of our external audit, not separately from the external audit process.

The reports from external auditors include limitations on the results of its review of internal controls they conduct in connection with an audit. These limitations include statements like “we did not identify any deficiencies in internal control that we consider to be material weaknesses” and “material weaknesses may exist that have not been identified.” The external auditor reports are clear that they do not express an opinion on the effectiveness of internal controls.

The Civil Grand Jury interviewed a Certified Public Accountant who audits local governments and agencies and confirmed that management should assess its internal controls independently of the external auditor’s work, noting management can separately refer to the independent auditor’s work in its report to its governing board regarding internal controls.

Furthermore, the Certified Public Accountant and interviewees generally agreed that if management performed its own assessment of its internal controls, the results of that assessment can be shared with the external auditor and the auditor may use those results in designing audit work, increasing efficiency. Increases in efficiency in external audits likely at least partially offset any incremental staff work in conducting management’s assessment.

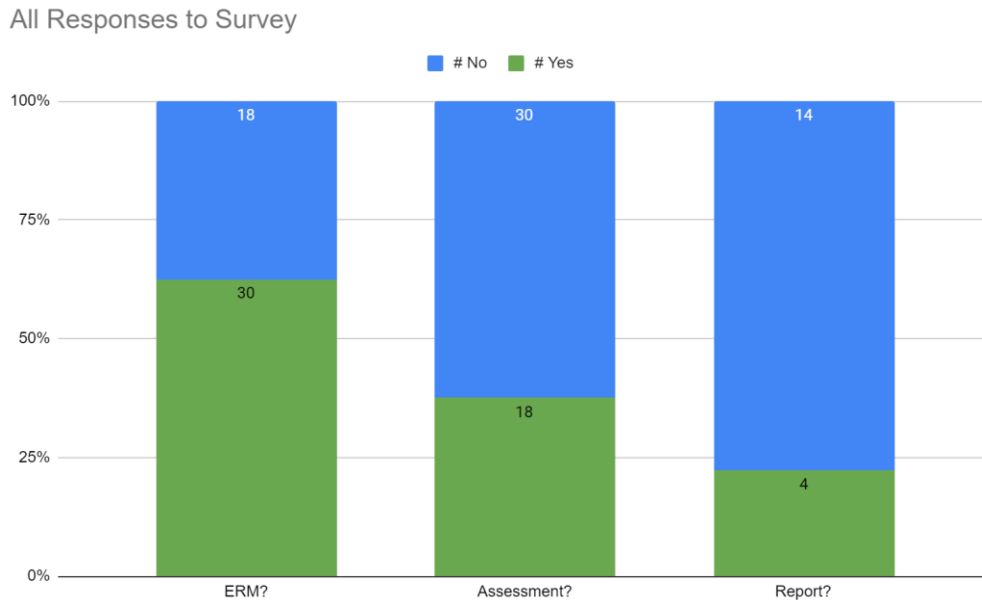
Survey Responses

Survey requests were sent to 75 entities, including municipalities, school districts, independent special districts and joint power authorities. Responses were received from 54 entities.

Given the enormity of the challenge of reviewing individual controls at any one agency, the Civil Grand Jury looked into the way government entities in San Mateo County assess its internal controls and how the results of those assessments are reported to governing boards and to the public. This assessment and reporting should follow the State of California guidelines and the underlying referenced guidelines from the Green Book and the Committee of Sponsoring Corporations. Management’s assessment of its internal controls and communication, both internally within an entity and externally to the entity’s constituents, are key principles of internal controls.

The Civil Grand Jury focused on responses to three questions from the survey:

1. Do you have an established process in place to identify organizational risks (also known as Enterprise Risk Management, or ERM)? The tables below refer to this question as ‘ERM?’.
2. Other than outside audits of your organization's financial statements, have you or your organization performed an assessment of your organization's "internal controls" within the last 18 months? The tables below refer to this as ‘Assessment?’.
3. Was a written report of the assessment produced? The tables below refer to this as ‘Report?’.



Identifying risks to an entity is a critical part of effective internal controls. See Principle 7 in the Green Book Principles of Internal Controls Table above.

Eighteen entities responded that they had performed an assessment of internal controls in the prior 18 months. Each entity must assess its internal controls. State guidelines require established mechanisms to hold management responsible for internal control responsibilities and to align incentives with the fulfillment of internal control responsibilities.

Four entities responded that they prepared a report regarding assessments of internal controls. Each governing board must oversee its entity’s internal controls. State guidelines require established mechanisms to hold management responsible for internal control responsibilities and to align incentives with goals and objectives. Management should both internally and externally communicate the results of its assessments of internal controls. If management does not communicate the results of its assessments of internal controls, others may see this as an opportunity to commit fraud or waste government assets. Management should communicate the results of its assessments of internal controls in writing to its governing board.

These data led the Civil Grand Jury to conduct interviews with selected entities that responded to the survey.

Interviews with Selected Entities

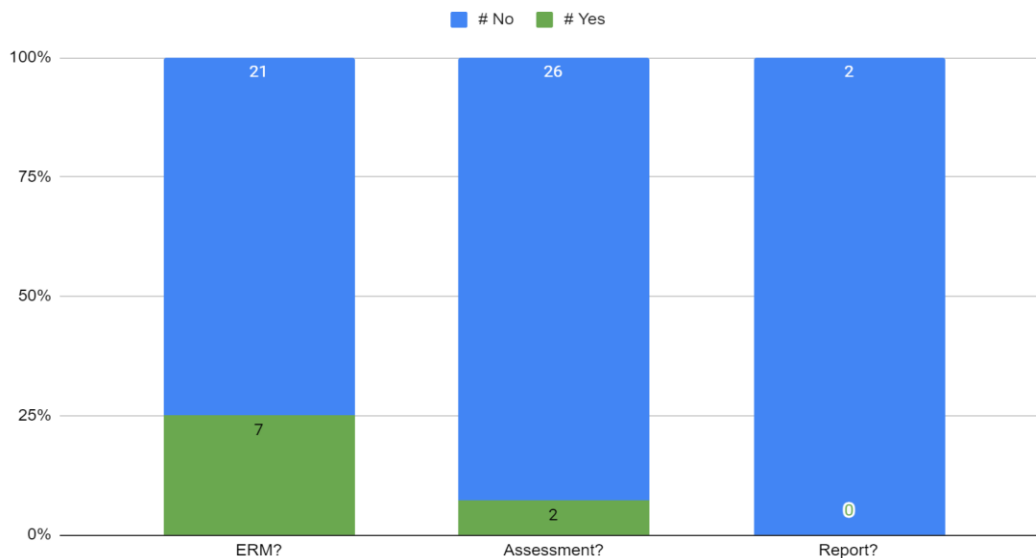
By rule of the Civil Grand Jury, the findings and recommendations included in this report can only be sent to entities that responded to the survey and participated in interviews with the Civil Grand Jury. In other words, the survey responses do not suffice to be considered a matter of fact and be used to come to a conclusion or make a recommendation.

The 28 Entities we interviewed are listed below in the section titled “Request for Responses.”

Of the Entities interviewed to confirm survey responses:

- Seven Entities reported that they did not have an established process in place to identify organizational risks.
- Twenty-six entities reported that, other than outside audits, its organization had not performed an assessment of its internal controls in the last 18 months.
- Two entities that did perform an assessment of its internal controls did not produce a written report of its assessment.

Survey Responses Confirmed by Interview



Identifying risks

Identifying risks in an organization is a critical part of effective internal controls - see Principle 7 in the Green Book Principles of Internal Controls (Table above).

When an entity does not have a process to identify organizational risks, the entity does not demonstrate how its internal controls address identified risks, and the likelihood of a failure in internal controls that results in fraud or waste increases.

Assessing Internal Controls

Entities must assess its internal controls. State guidelines require established mechanisms to hold management responsible for internal control responsibilities and to align incentives with the fulfillment of internal control responsibilities.

When an entity does not periodically assess its internal controls, the entity cannot demonstrate that they are monitoring its internal controls, and the likelihood of a failure in internal controls that results in fraud or waste increases.

Reporting Results of Assessments

Each governing board must oversee its entity's internal controls. State guidelines require established mechanisms to hold management responsible for internal control responsibilities and to align incentives with goals and objectives.

Management should both internally and externally communicate the results of its assessments of internal controls. If management does not communicate the results of its assessments of internal controls, others may see this as an opportunity to commit fraud or waste government assets.

Management should communicate the results of its assessments of internal controls in writing to its governing board.

When management does not report the results of its assessments of internal controls to its governing board and the entity has not communicated externally, the likelihood that others may see this as an opportunity to commit fraud or avoid waste increases.

FINDINGS

- F1. When an entity does not have a process to identify organizational risks, and the entity does not demonstrate how its internal controls address identified risks, the likelihood of a failure in internal controls that results in fraud or waste increases.
- F2. When an entity does not periodically assess its internal controls and the entity cannot demonstrate that it is monitoring its internal controls, the likelihood of a failure in internal controls that results in fraud or waste increases.
- F3. When management does not report the results of its assessments of internal controls to its governing board and the entity has not communicated externally, the likelihood that others see this as an opportunity to commit fraud or waste increases.

RECOMMENDATIONS

- R1. Beginning by no later than December 31, 2024 and at least annually thereafter, each entity will document its organizational risks and address those risks in its annual Assessment of Internal Controls.
- R2. Beginning by no later than March 31, 2025 and at least annually thereafter, each governing board will require its management to complete its annual assessments of internal controls.
- R3. Beginning by no later than June 30, 2025 and annually thereafter, each governing board will require management to report the results of its annual assessment of the entity’s internal controls.

REQUEST FOR RESPONSES

The following responses from governing bodies are required pursuant to Penal Code sections 933 and 933.05:

<u>Entity</u>	<u>Findings</u>	<u>Recommendations</u>
Belmont-Redwood Shores SD	F1, F2, F3	R1, R2, R3
Brisbane School District	F1, F2, F3	R1, R2, R3
City of Burlingame	F1, F2, F3	R1, R2, R3
City of East Palo Alto	F1, F2	R1, R2
City of Half Moon Bay	F1, F2, F3	R1, R2, R3
City of Menlo Park	F1, F2, F3	R1, R2, R3
City of Redwood City	F2, F3	R2, R3
Coastside Fire Protection District	F1, F2, F3	R1, R2, R3
Colma Fire Protection District	F1, F2, F3	R1, R2, R3
Jefferson Union High School District	F1, F2, F3	R1, R2, R3
La Honda-Pescadero USD	F1, F2, F3	R1, R2, R3
Menlo Park City School District	F2, F3	R2, R3
Menlo Park Fire Protection District	F1, F2, F3	R1, R2, R3
Mid-Peninsula Water District	F2, F3	R2, R3
North Coast County Water District	F1, F2, F3	R1, R2, R3
Pacifica School District	F1, F2, F3	R1, R2, R3
Portola Valley School District	F1, F2, F3	R1, R2, R3
Ravenswood City School District	F1, F2, F3	R1, R2, R3
Redwood City School District	F1, F2, F3	R1, R2, R3

San Mateo County Libraries	F1, F2, F3	R1, R2, R3
San Mateo Foster City School District	F1, F2, F3	R1, R2, R3
San Mateo Union High School District	F1, F2, F3	R1, R2, R3
Sequoia Healthcare District	F2	R2
Silicon Valley Clean Water	F2, F3	R2, R3
South Bayside Waste Management Authority	F1, F2, F3	R1, R2, R3
Town of Atherton	F2, F3	R2, R3
West Bay Sanitary District	F1, F2, F3	R1, R2, R3
Woodside School District	F1, F2, F3	R1, R2, R3

RESPONSE REQUIREMENTS

California Penal Code Section 933.05 provides: For purposes of subdivision of Section 933, as to each Civil Grand Jury finding, the responding person or entity shall report one of the following:

- (1) The respondent agrees with the finding.
- (2) The respondent disagrees wholly or partially with the finding; in which case the response shall specify the portion of the disputed finding and shall include an explanation of the reasons.

For purposes of subdivision of Section 933, as to each Civil Grand Jury recommendation, the responding person or entity shall report one of the following actions:

- (1) The recommendation has been implemented, with a summary regarding the implemented action.
- (2) The recommendation has yet to be implemented but will be implemented in the future, with a timeframe for implementation.
- (3) The recommendation requires further analysis, with an explanation and the scope and parameters of an analysis or study and a timeframe for the matter to be prepared for discussion by the officer or head of the agency or department being investigated or reviewed, including the governing body of the public agency when applicable. This time frame shall be at most six months from the Civil Grand Jury report's publication date.
- (4) The recommendation will not be implemented because it is not warranted or is not reasonable, with an explanation therefore.

APPENDIXES

Appendix A - Form of Survey

Appendix B - Examples of Fraud and Waste

Form of Survey

1. Please list your name, title and organization
2. Other than outside audits of your organization's financial statements, have you or your organization performed an assessment of your organization's "internal controls" within the last 18 months? (Yes/No)
3. If your organization has not performed an assessment of its internal controls or has not completed one in the last 18 months, why?
4. What was the date of your internal controls assessment?
5. What type of tool was used to assess your internal controls? If "Other", please provide a brief description of the tool. (Checklist/Guided questions/Other)
6. Was a written report of the assessment produced? (Yes/No)
7. Was this assessment report shared with your governing board? (Shared/Not shared/Written assessment report was not produced)
8. Does your governing board require or suggest that your organization periodically review its internal controls?
9. Have the personnel in your organization received training specific to building effective internal controls?
10. If your organization has received training in building effective internal controls, who provided the training?
11. Do you have an established process in place to identify organizational risks (also known as Enterprise Risk Management or "ERM")?
12. When substantial risks are identified, does your process require changes or improvements to the applicable internal controls?
13. Have you shared the organizational risk assessment findings with your governing board?
14. Internal controls assessment tool:
15. Internal controls assessment report:
16. Risk assessment report:
17. Other links, please describe and include link(s):

Examples of Alleged Fraud and Waste

Broadmoor Police Protection District Fraud

<https://www.chronline.com/stories/outrageous-pension-double-dipping-triggers-criminal-investigation-into-california-cops,281359>

San Mateo County Pay to Play Prosecution


<https://www.almanacnews.com/news/2023/02/10/community-college-district-lawsuit-alleges-pay-to-play-in-construction-projects-under-former-chancellor/>

Reporting of Personal Residences paid for with government funds.

<https://www.nbcbayarea.com/news/local/former-caltrain-manager-secret-apartments-bay-area-train-stations/3496068/>

Release Date: June 27, 2024
2023-2024 San Mateo County Civil Grand Jury



To: JPA Governing Board
From: Anne-Marie Despain, Director of Library Services 
Date: October 30, 2024
Meeting: November 4, 2024
Re: Approval of the Regular Governing Board Meeting Schedule for 2025

Background

The Library JPA Agreement states that the Governing Board shall meet at least annually to consider and approve the budget of the Library JPA. The Governing Board is required to submit an annual budget to the County Board of Supervisors for its approval and shall be responsible for establishing policies in accordance with the JPA Agreement.

The Operations Committee will meet at least quarterly and shall be responsible for administration and oversight of the day-to-day operations of the library system, working through the Library Director.

Each year a proposed meeting schedule is submitted for approval to the Library JPA Operations Committee and Governing Board.

Discussion

The JPA Governing Board currently meets five times a year in the months of February, May, June, September and November. The recommended Operations Committee meeting dates and agenda items correspond with the Governing Board meetings and agenda items. Currently, the Operations Committee meetings begin at 1:30 p.m. and the Governing Board meetings begin at 8:15 a.m. All meetings, unless reassigned, are held in-person at Library Administration, 125 Lessingia Court, San Mateo and by teleconference pursuant to Government Code Section 54953(b).

The table below outlines the 2025 proposed meeting schedule. Also included is a list of items agendaized on an annual basis. Notice of the time and place and the conduct of all regular meetings are in accordance with the Ralph M. Brown Act. The agenda is posted and distributed at least three days in advance of scheduled meetings. Additional agenda items are added to the schedule as needed and special meetings may also be held as convened by the Operations Committee Chair or the Governing Board Chair.

Actions of the Operations Committee and Governing Board shall be taken only if a quorum is in attendance, and shall be effective upon approval of a majority of the members present. A quorum is one more member than half of the total membership.

2025 Proposed Meeting Dates		
Operations Committee	Governing Board	Agendized Items
January 28	February 3	<ul style="list-style-type: none"> Financial Audit Report Mid-Year Report
May 13	May 19	<ul style="list-style-type: none"> Introduction to the Recommended Budget
June 10	June 16	<ul style="list-style-type: none"> Adoption of the Recommended Budget Election of Officers
September 9	September 15	<ul style="list-style-type: none"> Investment Report Grant Activities Report Proposed Uses of Library Trust Funds Approval of the Final Adopted Budget Library Director Evaluation
October 28	November 3	<ul style="list-style-type: none"> Approval of JPA Meeting Schedule Approval of Library Policies

Fiscal Impact

There is no fiscal impact associated with approving the proposed 2025 Library JPA Regular Governing Board Meeting Schedule.

Recommendation

Recommend JPA Governing Board approve the proposed 2025 Library JPA Regular Governing Board Meeting Schedule for 2025.



To: JPA Governing Board
From: Anne-Marie Despain, Director of Library Services
Date: October 30, 2024
Meeting: November 4, 2024
Re: Director's Report

This report summarizes significant library operations and program activities that have occurred since the last meeting of the Governing Board. Services and activities are aligned with our Strategic Plan Goals.

We understand community needs and promote meaningful library services as solutions.



Latinx Cultural Celebration

We celebrated Latinx Heritage Month with bilingual musical events, art displays, and lowriders for kids and families. A highlight of the month were presentations by Ricardo Cortez, the author of *The ABC's of Lowriding*. Accompanied by his lowrider, Mr. Cortez traveled across the county to discuss his book and explore lowriding culture from the 1940s to the present. After the presentation, attendees participated in a collage-making activity and took

home framed art. From high school seniors in Pescadero to families in Brisbane, everyone was eager to learn about this vibrant aspect of Latinx culture.

Fixit Clinics

Building on the success of previous Fixit Clinics in Millbrae, San Carlos, North Fair Oaks, and Pescadero, San Mateo County Libraries will be hosting quarterly Fixit Clinic programs starting this fall. In partnership with the Fixit Clinic organization and the San Mateo County Office of Sustainability, these community-based workshops invite participants to bring in their broken, non-functioning items, such as electronics, appliances, and clothing, for assessment, disassembly, and repair. Volunteer repair coaches will offer consultations on broken items and provide guidance throughout the process. Participants will have the opportunity to learn valuable skills, including basic disassembly, troubleshooting, and repair techniques. For more information, visit: [Fixit Clinics at San Mateo County Libraries](#).



Banned Books Week

This year's Banned Books Week is particularly significant, as it coincides with the recent signing of the California [Freedom to Read Act](#) by Governor Gavin Newsom. This new law, effective as of September 29, 2024, strengthens protections for California libraries and their collections, ensuring that materials cannot be removed based on factors such as race or gender. Our [Material Selection Policy](#), last approved by the Governing Board in February 2024, is already aligned with these values and the Freedom to Read Act.



In celebration of Banned Books Week from September 22-28, we highlighted this important legislation alongside our ongoing commitment to intellectual freedom. Our libraries have created engaging displays featuring frequently challenged books, and this year, we are hosting a book club on the Fable app. Readers can explore [Stamped: Racism, Antiracism, and You](#) by Jason Reynolds—available for free to our patrons—and participate in discussions about challenged books and the broader implications of book banning. The Fable platform offers an interactive space where readers can engage with the text and each other, fostering meaningful conversations about the future of literacy and the freedom to read.

We are leaders in establishing a foundation for early literacy and supporting exploration and growth at every stage of life.



Nature and Climate Justice Bilingual Programming

We have launched a yearlong partnership funded by the Library Services and Technology Act (LSTA) with a local urban forestry nonprofit to enhance nature equity in our adult education programs. This initiative will include bilingual tree and wellness walks, workshops on tree care and urban forestry, and speaker programs focused on climate justice. Through this partnership, participants will strengthen community connections, engage in discussions about priorities like climate resiliency, and help close the "green gap" affecting under-resourced communities.

Our kickoff event featured a tree walk that brought together fourteen participants for a bilingual discussion about the trees in their community. Many attendees discovered Friendship Park for the first time, despite having lived in North Fair Oaks for years. They appreciated the arborist speaking in Spanish and enjoyed a scavenger hunt for children during the walk to keep them engaged. Participants not only became familiar with their neighborhood tree canopy but also learned about the science of trees and sustainability opportunities available through our community gardens.

We cultivate an active presence and create spaces that support discovery, enrich lives, and uplift the community.



Voter Education and Support

In October, we celebrated our role in providing non-partisan information to inform potential voters and residents of all ages. We teamed up with CalMatters, a local nonprofit and nonpartisan news organization focused on voter education, to bring older adults up to speed on California Propositions. Educational opportunities were hosted at nine of our community libraries in advance of the general election.

To mark the presidential election year, we emphasized the importance of voting with a special storytime at all our locations. Families were invited to arrive early and cast their votes for various books, props, and activities that would be included in the upcoming storytime. By highlighting how decisions are made and the concept of a simple majority, this introduction to voting created a fun and democratic experience for all involved.

We are proud to continue our successful partnership with County Elections by making voting more convenient and accessible. Vote by Mail Ballot Drop Boxes will be available at five of our community library locations—Brisbane, Half Moon Bay, North Fair Oaks, San Carlos, and Woodside. Additionally, you can find two more ballot drop boxes outside the Belmont and East Palo Alto Libraries. These drop boxes will be available to the public through Election Day, November 5, 2024, for the November General Election.

Public Awareness Campaign

We are thrilled to announce the official launch of our brand awareness campaign, in collaboration with AMF Media Group, our new PR agency. This innovative initiative blends both digital and traditional advertising strategies to elevate the visibility of our diverse library services throughout the County.



Our eye-catching, colorful ads highlight everything from our beloved traditional offerings to cutting-edge resources, aiming to engage both current library users and those new to our services. These ads, available in English, Spanish, and Mandarin, are poised to make a strong impression in the coming weeks. With advanced tools like behavioral, geo-proximity, and contextual targeting, alongside paid social media and search engine marketing, we are connecting with our community in new and dynamic ways. We are also excited to see our Spanish and English ads featured on Coastside buses, and all three language ads showcased in various digital out-of-home locations.

To gauge the success of this campaign, we have designed a brand new [landing page](#) to welcome new users. This page will allow us to track clicks from the ads and gather valuable insights into what resonates most with our expanding audience.

Innovation Award

The Urban Libraries Council (ULC), presented San Mateo County Libraries with an honorable mention award as part of the [2024 Innovation Initiative](#). This recognition is in honor of our *Preventing Domestic Violence Before It Begins* program, an eight-week series for families with 0-5-year-olds that powers the formation of healthy relationships and boundaries before problems occur. A pioneering partnership with the nonprofit Community Overcoming Relationship Abuse (CORA), the project used evidence-based efforts with strategies proven effective in preventing intimate partner violence.



ULC's Innovations Initiative is a yearly showcase of exemplary projects from its more than 180 member libraries across the U.S. and Canada. It seeks to highlight how the library's role as an essential public institution is evolving to meet the changing needs of our urban communities. From initiatives that promote civic engagement and intellectual freedom to projects that enhance digital connectivity and economic mobility, libraries are at the forefront of addressing today's challenges.

More than 230 library projects in six categories were submitted by ULC members from across the U.S. and Canada to be considered for the top awards. Six public libraries received the top innovator award and six libraries received an honorable mention award.

Library Personnel News

We are excited to share the following personnel announcements:

Francis Hébert has accepted the position of Community Library Manager of the San Carlos Library. Francis joins us from Salinas Public Library where he is the Technical Services Manager managing the library's physical and online collections, ILS, and information technology services. He has a wealth of library experience serving as a librarian and manager for the Hawaii State Public Library System, the California Department of Corrections and Rehabilitation, and New Brunswick Public Libraries in Canada. Francis holds a MLIS from the University of Montreal, a bachelor's in philosophy from the University of Montreal and a bachelor's in French Language and Literature from McGill University.

Kimberly Johnson has accepted the position of Librarian in Youth and Family Services. Kimberly joins us from the City of Anaheim where she worked as a Librarian. Kimberly holds a bachelor's in psychology from the University of California, Berkeley, and a MLIS from San Jose State University. Kimberly is bilingual in Cantonese.

Ginny Mies has accepted a promotion to Community Library Manager of the Atherton Library. She has worked at San Mateo County Libraries for eight years, serving both as a Librarian and Senior Librarian in Access Services. During her tenure, Ginny initiated and led significant projects to improve our collections and access for patrons. Ginny worked to provide the Calm App to patrons during the pandemic, helping us become the first library in the country to share this meditation and wellness app with the community for free. She has improved and increased training resources available for the public and staff including accessible formats such as Braille books, read-aloud books for youth, and online resources in languages other than English. Ginny holds a MLIS from San Jose State University and a bachelor's in history of art & visual culture/journalism from the University of California, Santa Cruz. Previously she worked as a Senior Content Developer for the San Francisco non-profit TechSoup and has written for PCWorld, Macworld and TechHive.

Chelsea Quintanilla has accepted the position of Library Assistant. Chelsea joins us from the South San Francisco Public Library where she worked as a Library Assistant. Chelsea brings four years of experience with San Mateo County Libraries, having served as a BLIS program facilitator, intern, and Library Aide. She is also bilingual in Spanish.

Cole Raley has accepted a promotion to Library Assistant. Cole previously served as a Library Aide in Access Services. His experience includes office support, delivery processing, tech support planning, providing POS system training to others and project support for the East Palo Alto Library Reopening. Cole holds an associate's degree in psychology from Skyline College.

Welcome and congratulations to all our Library Champions!

Professional Development

Professional Development, including attending conferences and training, are essential for library professionals to stay current in the library field. At the end of June, we supported attendance at the American Library Association's Conference in San Diego and in October, over a dozen traveled to Pasadena for the California Library Association's Conference. Staff have also attended trainings and conferences on a variety of topics including the Makerspaces for Innovation and Research in Academics conference, the National Conference of African American Librarians, and a USCIS training on citizenship education. These opportunities provide an environment where staff can learn from industry leaders and gain insights into emerging trends and practices. Attendees benefit from collaborating with other industry professionals to exchange ideas, solve shared challenges, and stay motivated to progress in their careers.

We are also investing in our Library Champions' ability to respond to emergencies and other incidents in the library. The Red Cross led 65 staff through CPR, First-Aid and AED training in August and September, and 15 more will be trained in January 2025. In addition, we will be hosting noted library safety expert, Rick Jenkins, for de-escalation training for up to 100 staff members in November.

Staff Development Day

We are excited to share that 195 library staff gathered on October 10 for our annual Staff Development Day. We kicked off the morning at the Millbrae Library, focusing on defining our core values as we prepare for our new Strategic Plan. In the afternoon, we engaged in fun team-building activities like Library Olympics, trivia, networking with colleagues from different locations and divisions, and learning new hands-on skills. The day left us feeling energized and ready to continue making a positive impact in our community.



State News

The 2024-2025 State Budget was passed earlier this year and though the State Library and other advocates were successful in saving some library resources that were scheduled to lose funding, some significant cuts were made to two State Library-funded programs – Lunch at the Library and the California Library Services Act. Fortunately, these cuts will not affect our ability to provide library services; in particular, we are moving forward with meals at the library in several of our locations. In addition, there is a state ballot measure on the November ballot that we are watching closely – [Proposition 5](#). If passed, this measure would lower the voting threshold from 66.7% to 55% for local public infrastructure bonds.

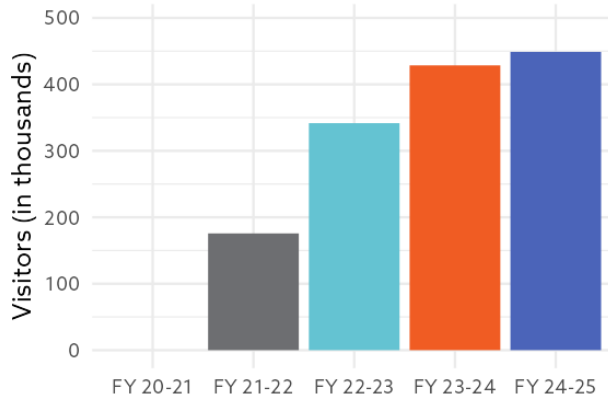
Libraries in the News

- [Local tutor surpasses 700 hours of volunteering](#) (coastsidenews.com)
- [Celebrate Diwali 2024 with sweets, rangoli art, live music and dance](#) (sfchronicle.com)
- [San Mateo County libraries now offering video games](#) (smdailyjournal.com)
- [Video game collection launches at San Mateo County Libraries](#) (almanacnews.com)
- [Leveling Up: Libraries launch video game collection](#) (coastsidenews.com)
- [Dolly Parton’s Imagination Library launches in San Mateo County](#) (mercurynews.com)

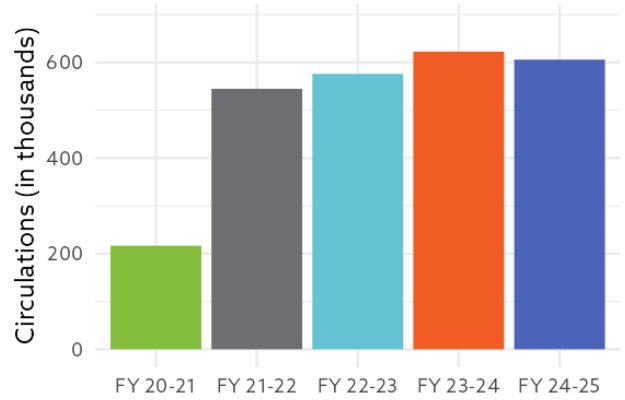
FY 2024-25, Quarter 1 Data Update

The following charts summarize systemwide totals through the first quarter for key library services from FY2020-21 through the current fiscal year.

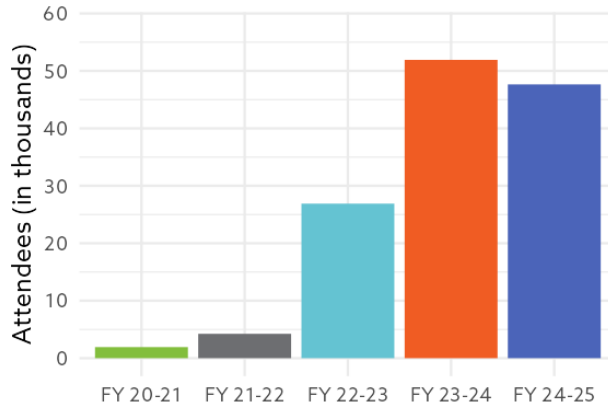
Q1 LIBRARY VISITORS



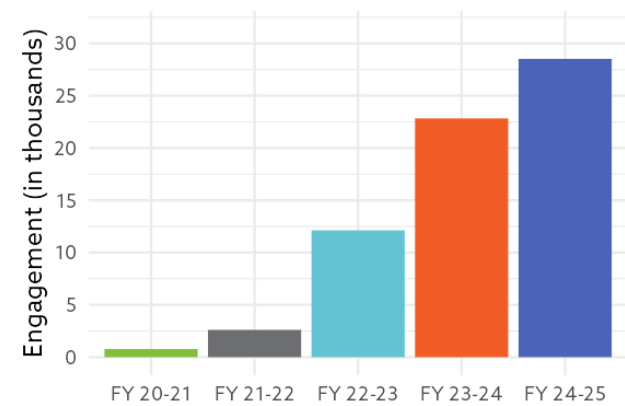
Q1 ITEMS CIRCULATED



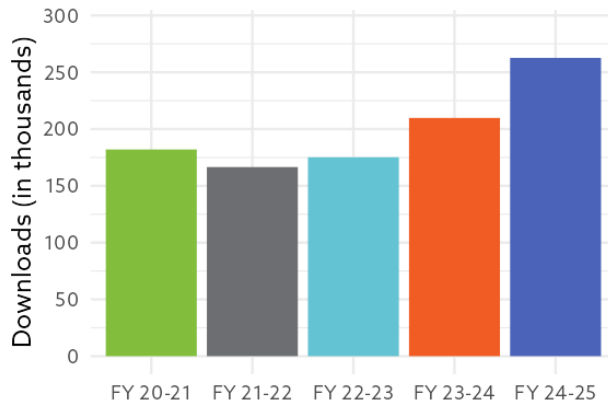
Q1 PROGRAM ATTENDANCE



Q1 OUTREACH ENGAGEMENT



Q1 DIGITAL DOWNLOADS



2025 Library Holidays and Closures

Since 2003, San Mateo County Libraries has incorporated several additional days into the regular holiday closure schedule based on the calendar year and usage patterns. All library closures are posted for public notice well in advance of a scheduled closure. In 2005, the Governing Board determined that a permanent continuation of this practice was prudent and should be communicated through the Director's Report.

Based on current County holidays and operational hours, 2025 holiday and closure dates include:

2025

Wednesday, January 1	New Year's Day Holiday
Sunday, January 19	Library Closure
Monday, January 20	Martin Luther King, Jr., Holiday
Sunday, February 16	Library Closure
Monday, February 17	Presidents' Day Holiday
Sunday, April 20	Library Closure
Sunday, May 11	Library Closure
Sunday, May 25	Library Closure
Monday, May 26	Memorial Day Holiday
Sunday, June 15	Library Closure
Thursday, June 19	Juneteenth Holiday
Friday, July 4	Independence Day Holiday
Sunday, August 31	Library Closure
Monday, September 1	Labor Day Holiday
Sunday, October 12	Library Closure
Monday, October 13	Indigenous Peoples' Day Holiday
Tuesday, November 11	Veterans Day Holiday
Wednesday, November 26	Libraries close at 5 PM
Thursday, November 27	Thanksgiving Day Holiday
Friday, November 28	Day after Thanksgiving Holiday
Wednesday December 24	Libraries close at 5 PM
Thursday, December 25	Christmas Day Holiday
Wednesday, December 31	Libraries close at 5 PM



To: JPA Governing Board
From: Anne-Marie Despain, Director of Library Services
Date: October 30, 2024
Meeting: November 4, 2024
Re: Approval of Library Policies

A handwritten signature in black ink, appearing to read "Anne-Marie Despain".

Background

As outlined in the Library Joint Powers Authority (Library JPA) Agreement, the Governing Board is responsible for creating, adopting, and maintaining policies to provide for the conduct of library business as well as the services and programs of the system. A complete list of Board approved policies is attached. From time to time, it is necessary to evaluate and update policies to reflect current library practices, uses and issues.

Additionally, under a staff services agreement between the Library JPA and County of San Mateo, all library staff are County employees and are responsible for following County policies including: Ethical Conduct, Political Activities, and Equal Employment Opportunity; these and other County Policies can be found at <http://hr.smcgov.org/county-policies>.

Discussion

Staff is recommending the approval of two policies.

Exhibit and Display Policy

The Library's established Exhibit and Display Policy was last approved by the JPA Governing Board in November 2021. The attached revised policy does not include any significant changes but clarifies and updates the existing information. It also provides instructions for submitting the Exhibit and Display Agreement.

Procurement Policy

The Library's established Procurement Policy was last approved by the JPA Governing Board in November 2022. The Procurement Policy is intended to detail the process by which the Library will obtain goods and services and also establishes guidelines and internal controls to provide reasonable assurance that the procurement process is fair, open and competitive. Updates to the policy include adding a process for JPA Governing Board approval when an individual budgeted fixed asset of \$200,001 or above is bid 20% or more above budget, restructuring the policy to simplify the presentation of information and improve clarity to augment internal ease of use, and adding a section on competitive exemptions in the case of emergencies.

Fiscal Impact

There is no fiscal impact associated with approving the recommended Library Policies.

Recommendation

Recommend Library JPA Governing Board approve the Exhibit and Display Policy and Procurement Policy. Operations Committee members present at the October 29, 2024 meeting concurred with this recommendation.

Attachments

1. Library Policies Approved by the Governing Board
2. Exhibit and Display Policy - (Recommended)
 - 2a. Exhibit and Display Policy - (Revisions)
3. Procurement Policy - (Recommended)
 - 3a. Procurement Policy - (Revisions)

Library Policies

- Behavior Policy – February 5, 2024
- Child Safety Policy – November 7, 2016
- Communications Policy – February 5, 2018
- Community Bulletin Board Policy – November 7, 2016
- Conflict of Interest Policy – November 13, 2023
- Exhibit and Display Policy – November 15, 2021
- Fund Balance Policy – June 17, 2024
- Furnishings and Equipment Funding Policy – February 5, 2024
- Gift and Donation Policy – November 5, 2018
- Guidelines for Addressing the Library JPA – February 5, 2024
- Implied Consent Policy – November 7, 2016
- Investment Policy – September 16, 2024
- Library Building Planning Policy – February 5, 2024
- Library Renovations Policy – September 8, 2008
- Material Access and Selection Policy – February 5, 2024
- Privacy Policy – November 4, 2019
- Procurement Policy – November 14, 2022
- Public Computers, Devices and Internet Access Policy – November 7, 2016
- Sustainability Policy – November 9, 2020
- Website Policy – November 7, 2016



EXHIBITS AND DISPLAYS POLICY (Recommended)

San Mateo County Libraries welcome exhibits and displays that strengthen our mission and facilitate connections within our community.

Libraries with dedicated exhibit or display spaces may showcase content prepared by the Library, Friends of the Library, Foundation for San Mateo County Libraries, or other partner organizations. When exhibits are not being used by the Library or other partner organizations, the space may be temporarily offered to members of the public based on the terms outlined below:

- All displays in the Library will be open to the public for viewing, free of charge, and free of commercial advertising and direct solicitation. No restrictions will be made by the Library to prevent members of the public from photographing an exhibit.
- The Library will not exhibit information or art about political candidates or issues that are currently on the ballot or being heard in the Legislature, or are otherwise not within the mission of the Library. It is the intent of the Library that occasionally making its unused exhibit space open to members of the public will not create an open forum for public discussion and debate but should be limited to exhibitions which are consistent with the mission of the Library.
- All exhibits will clearly identify the individual or group responsible for the exhibit.
- The provision of exhibit spaces for public use does not constitute or imply Library endorsement of the beliefs or viewpoints of topics advocated by the exhibits or the individuals or groups responsible for an exhibit.
- The Library has final authority over the review, selection and arrangement of all exhibitions and will base selection of exhibitions using the following criteria:
 - Connection to Library mission, vision and goals
 - Relevance to local communities and priorities
 - Suitability of artwork to the available space
- The Library does not provide insurance coverage for displays and cannot assume responsibility for loss of or damage to exhibited materials. Exhibitors will assume all such responsibility.
- Artwork remains the property of the exhibitor.
- Each exhibitor is responsible for the timely installation and removal of the exhibit during regular Library hours as arranged with the Library. Exhibit materials that are not removed by the agreed upon date may be considered abandoned. Exhibitions must remain within pre-designated display spaces.

- Exhibitors assume responsibility for any damage to Library property resulting from their use of Library facilities. The Library or the City which owns the building may assess charges for damage.
- Library staff cannot facilitate sales. Contact information for the exhibitor may be provided as part of the exhibit for interested parties to inquire about purchases.
- Items on display may be photographed and reproduced in library publications and/or for publicity purposes connected with the exhibit. The Library may promote exhibits as staff capacity allows, but exhibitors are not entitled to Library promotional efforts.
- The Library reserves the right to cancel an exhibit space reservation for any reason.
- The Library retains the right to deny the space to any user whose planned use of the space does not comply with these terms. Violation of these terms may result in denial of future access to the space.

For consideration, exhibitors must complete a Library Exhibit and Display Agreement and agree to waive any right or cause of action, of any kind whatsoever, arising as a result of damage or theft from which any liability may or could accrue to the Library or their agents individually.

EXHIBIT AND DISPLAY AGREEMENT

Please review the Exhibit and Display policy before completing an application.

Name of exhibitor or organization: _____

Person Responsible: _____

Mailing Address _____

City/State/Zip: _____

Phone: _____

Email: _____

Title of exhibit: _____

Brief description of exhibit: _____

Audience: _____

Number of items in exhibit: _____

Desired dates of exhibit: _____

Exhibit space requested: _____

Hold Harmless Agreement

I agree to waive and release any right, claim, liability or cause of action, of any kind whatsoever, arising as a result of damage to or theft of my property, which I might otherwise assert against the Library or their agents individually, including claims that Library and/or its staff were negligent. I hold the Library, City, County, and their employees harmless for all liabilities, claims and loss resulting from any damage or loss to the display. As Exhibitor I assume all legal responsibility for any loss or damage, destruction or theft of any part of my property on display.

Signature: _____ **Date:** _____

Please submit this agreement to the Community Library Manager of the Library location at which you wish to exhibit your work.



EXHIBITS AND DISPLAYS POLICY (Revisions)

San Mateo County Libraries welcome exhibits and displays that strengthen our community mission by creating an inclusive sense of place and an environment for learning and facilitate connections within our community.

Libraries with dedicated exhibit or display spaces may showcase content prepared by the Library, Friends of the Library, Foundation for San Mateo County Libraries, or other partner organizations. When exhibits are not being used by the Library or other partner organizations, the space may be temporarily offered to members of the public based on the terms outlined below:

- All displays in the Library will be open to the public for viewing, free of charge, and free of commercial advertising and direct solicitation. No restrictions will be made by the Library to prevent members of the public from photographing an exhibit.
- The Library will not exhibit information or art about political candidates or issues that are currently on the ballot or being heard in the Legislature, or are otherwise not within the mission of the Library. It is the intent of the Library that occasionally making its unused exhibit space open to members of the public will not create an open forum for public discussion and debate but should be limited to exhibitions which are consistent with the mission of the Library.
- All exhibits will clearly identify the individual or group responsible for the exhibit.
- The provision of exhibit spaces for public use does not constitute or imply Library endorsement of the beliefs or viewpoints of topics advocated by the exhibits or the individuals or groups responsible for an exhibit.
- The Library has final authority over the review, selection and arrangement of all exhibitions and will base selection of exhibitions using the following criteria:
 - Connection to Library mission, vision and goals
 - Relevance to local communities and priorities
 - Suitability of artwork to the available space
- The Library does not provide insurance coverage for displays and cannot assume responsibility for loss of or damage to exhibited materials. Exhibitors will assume all such responsibility.
- Artwork remains the property of the exhibitor.
- Each exhibitor is responsible for the timely installation and removal of the exhibit during regular Library hours as arranged with the Library. Exhibit materials that are not removed by the agreed upon date may be considered abandoned. Exhibitions must remain within pre-designated display spaces.

- Exhibitors assume responsibility for any damage to Library property resulting from their use of Library facilities. The Library or the City which owns the building may assess charges for damage.
- Library staff cannot facilitate sales. Contact information for the exhibitor may be provided as part of the exhibit for interested parties to inquire about purchases.
- Items on display may be photographed and reproduced in library publications and/or for publicity purposes connected with the exhibit. The Library may promote exhibits as staff capacity allows, but exhibitors are not entitled to Library promotional efforts.
- The Library reserves the right to cancel an exhibit space reservation for any reason.
- The Library retains the right to deny the space to any user whose planned use of the space does not comply with these terms. Violation of these terms may result in denial of future access to the space.

For consideration, exhibitors must complete a Library Exhibit and Display Agreement and agree to waive any right or cause of action, of any kind whatsoever, arising as a result of damage or theft from which any liability may or could accrue to the Library or their agents individually.

EXHIBIT AND DISPLAY AGREEMENT

Please review the Exhibit and Display policy before completing an application.

Name of exhibitor or organization: _____

Person Responsible: _____

Mailing Address _____

City/State/Zip: _____

Phone: _____

Email: _____

Title of exhibit: _____

Brief description of exhibit: _____

Audience: _____

Number of items in exhibit: _____

Desired dates of exhibit: _____

Exhibit space requested: _____

Hold Harmless Agreement

I agree to waive and release any right, claim, liability or cause of action, of any kind whatsoever, arising as a result of damage to or theft of my property, which I might otherwise assert against the Library or their agents individually, including claims that Library and/or its staff were negligent. I hold the Library, City, County, and their employees harmless for all liabilities, claims and loss resulting from any damage or loss to the display. As Exhibitor I assume all legal responsibility for any loss or damage, destruction or theft of any part of my property on display.

Signature: _____ **Date:** _____

Please submit this agreement to the Community Library Manager of the Library location at which you wish to exhibit your work.

PROCUREMENT POLICY - (Recommended)

Background and Purpose

In all matters related to procurement, San Mateo County Libraries is committed to ensuring that goods and services are of high quality, available when needed, and competitively priced. We are dedicated to maintaining the highest standards of professional behavior and ethical conduct in public purchasing.

This policy is intended to detail the process by which the Library will obtain goods (tangible) and services (non-tangible) and also establishes guidelines and internal controls to provide reasonable assurance that the procurement process is fair, open and competitive.

General Provisions

- 1. Administration:** The Director of Library Services is ultimately responsible for procurement administration to ensure full compliance with these activities and all established terms and conditions.
- 2. Local Preference:** When the combination of price, quality and terms and conditions are substantially equal, the Library shall give preference in purchasing to San Mateo County-based goods and service providers.
- 3. Minority, Women Owned, and Small Business Solicitations:** Where possible, efforts should be made to solicit proposals from small businesses, and women- and/or minority-owned businesses.
- 4. Living Wage Ordinance:** All Library contracts will include a standard provision requiring compliance with the County of San Mateo Living Wage Ordinance, which sets a minimum wage contractors are required to pay employees providing services under county contracts. The Library Director may approve waiving compliance on a case-by-case basis.
- 5. Term:** The length of the contract term (beginning and ending date) may vary depending on the type of contract, but the term must not be more than five years. The maximum five-year term includes any amendments to the contract term. Language must also include a detailed scope of work, a description of the deliverables, due dates, payment amount, payment rates, payment process and schedule.
- 6. Splitting Contracts:** Efforts to split a contract into two or more contracts for the purpose of circumventing dollar limits on approval processes or other requirements are prohibited.
- 7. Insurance Requirements:** The following are the Library's standard insurance requirements for contracts which may be adjusted based on the nature of the goods and services being provided. The Contractor shall take out and maintain during the life of this Agreement such Bodily Injury Liability and Property Damage Liability Insurance as shall protect him/her while performing work covered by this Agreement from any and all claims for damages for

bodily injury, including accidental death, as well as any and all operations under this Agreement, whether such operations be by himself/herself or by any subcontractor or by anyone directly or indirectly employed by either of them. Such insurance shall be combined single limit bodily injury and property damage for each occurrence and shall not be less than \$1,000,000. All contractors performing work/services with the County Library must have a minimum of \$1 million general liability insurance, \$1 million auto insurance, and, to the extent legally required, statutory workers' compensation insurance, and the County Library must be named as an additional insured by insurer-issued written endorsement, a copy of which shall be provided to the Director of Library Services prior to initiation of work by contractor. Carrier's liability insurance at \$0.60 per pound, per item will also be provided.

8. Legal Review: Contracts for services and vendor agreements above \$200,000, or agreements that do not use the Library's standard templates, shall be reviewed by the Library's legal counsel to approve as to form and legality.

9. Authorized Signatures:

The following are authorized to approve invoices based on the amounts listed below:

Library Managers	\$9,999 and Below
Director of Library Services	\$200,000 and Below
Chair, Library JPA Governing Board	\$200,001 and Above

Bi-annually, a list of invoices paid with a value of \$50,000 or greater will be provided to the JPA Governing Board.

The following are authorized to execute agreements, contracts, and amendments or change orders based on the amounts listed below:

Director of Library Services	\$200,000 and Below
Chair, Library JPA Governing Board	\$200,001 and Above

The value of an agreement shall be determined by the total amount of the agreement. For example, if a contract is \$120,000 per year for two years, its total value is \$240,000.

Estimated costs for individual fixed assets of \$200,001 or above will be listed in the annual budget. If the actual cost once bid is 20 percent or more higher than originally estimated in the budget, JPA Governing Board pre-approval of the new cost will be required. The JPA Governing Board Chair will continue to execute any associated invoices or contracts of \$200,001 and above.

10. Contract Amendments: If an existing current contract requires a change, the contract must be amended. The amendment then becomes part of the existing contract. Examples of changes include an extension of the term, a change in the amount of the contract, modifications to the scope of work, or new standard contract language that was not in place at the time of the original contract. The requirements described in this memorandum also apply to contract amendments.

If an amendment causes a contract's total payment amount to exceed \$200,000, all requirements for contracts exceeding \$200,000, including the requirement for approval by the JPA Governing Board Chair, must be met. Contract amendments must not be used to circumvent solicitation requirements when a contract's total payment amount would be reasonably expected to exceed \$200,000.

If a project under contract is underway and extenuating circumstances require an amendment that causes the contract total amount to exceed \$200,000, an exception to the competitive process, where legally justified, may be approved by the JPA Governing Board Chair.

- 11.** Library as Independent Contractor: When the Library receives financial compensation from a third party for the Library's provision of services, the Director of Library Services is authorized to approve and execute agreements \$200,000 and below. All contracts in which the Library receives more than \$200,000 must be approved by the Chair of the Library JPA Governing Board.
- 12.** The Library Joint Powers Authority allows the Library to award a procurement to a certified small business up to \$200,000 without being competitively bid, so long as the Library follows the guidelines established in the SMCL Small Business First policy.
- 13.** The competitive thresholds outlined in this policy and the SMCL Small Business First policy refer to the total value of goods and/or services, of the same general classification, purchased from a single vendor in one fiscal year period or, if a contract is awarded, the total not to exceed amount for all years under the contract.

Selection Process

1. \$9,999 and Below: Documentation is not required. However, internal procedures should be employed to ensure that the selection process is fair, the provider is qualified, and the cost is competitive
2. \$10,000 to \$200,000: A formal process is not required. However, staff are expected to exercise their best efforts to obtain a minimum of three quotes from potential providers. Staff must document the responses received and their recommendation for vendor selection for approval by the Director of Library Services. Price will be considered in addition to other relevant criteria, which may include, but is not limited to, the quality of the goods or services, delivery timelines, and vendor experience.
3. \$200,001 and Above: This category requires that either a formal Request for Proposals (RFP) or Invitation for Bid (IFB) process be followed.

An RFP is used when pricing is not the only factor that needs to be considered for vendor selection. RFPs shall be posted on the Library's website along with all answers to questions submitted by potential vendors. The purpose of this process is to encourage competition,

give all qualified providers the opportunity to be considered, and ensure that the Library receives the best value in obtaining services. RFPs are to be evaluated based on the evaluation criteria set forth in the RFP. The determination of "best value" is not based solely on the lowest price or the highest quality. It involves a subjective weighting of efficiency, quality, and economy, and a recommendation as to how the services might best be provided. The outcome of the evaluation of proposals should be regarded as the recommendation of the provider with whom negotiations will be initiated regarding the work and the terms of the contract.

An IFB is used when specifications are well defined, and price, responsibility, and responsiveness are the only determining factors in vendor selection. IFBs shall be posted on the Library's website along with all answers to questions submitted by potential vendors. Bids are to be evaluated based on the requirements set forth in the IFB. The evaluation shall be based on the face value of the bid and, when applicable, may consider the following cost factors: the total bid price including discounts, the unit or extended price, hour rates for specified personnel, maintenance costs and warranty provisions, the cost and rate of freight shipping and handling, assembly and start up. Responsiveness will be determined by whether the bid conforms to the instructions set forth in the IFB. Responsibility may take into consideration matters such as the bidder's integrity, compliance with public policy, and record of past performance with other entities. After the bids are evaluated, the award shall be made to the lowest responsive, responsible bidder.

Contracts will generally be awarded pursuant to the above guidelines; however, it is recognized that the Library's needs will vary from situation to situation, and accordingly, flexibility will be provided in determining the appropriate evaluation and selection process to be used in each specific circumstance. An open-market blanket purchase order or contract may be established, after the appropriate competitive process is followed, for which the Library has a recurring need on an "as-needed" basis.

Cooperative Agreements / Piggybacking

The result of another public agency's competitive process may be used in lieu of completing a new competitive process if the following conditions are met:

- The competitive process was completed by a public entity or consortium of public entities and it resulted in a contract which is still in effect.
- The goods or services in the contract are the same as the goods or services the Library requires. Note that the piggyback concept may not apply in public works contracts.
- The competitive process was of the same rigor as required by the Library's competitive process.
- Consent is received from both the public agency and vendor to piggyback on the contract.

Eligible procuring agencies will include, but are not limited to: County of San Mateo, Califa, California Multiple Awards Schedule (CMAS), and Omnia Partners.

Exceptions

The competitive procurement requirements of this policy may not apply if, under particular circumstances, an exception is warranted and legally justified. If an exception applies, written approval of the exception must be obtained from the Director of Library Services.

The following are examples of circumstances that may be considered in authorizing case-by-case exceptions to this policy. These options should only be utilized when justified and necessary to meet the Library's needs and supported by objective analysis and documentation.

- Sole Source: A sole source procurement occurs if it has been determined through research and documentation that there is only one source for the required product or service. Example sole source qualification:
 - o Competition is precluded because of the existence of patent rights, copyrights, or similar circumstances and there is no equivalent item or service.

- Single Source: A single source procurement is a sourcing method used to procure a product or service from one source, without soliciting competition, even though there are other vendors that can provide the product or service. Example single source exemption qualifications include:
 - o The procurement is for replacement parts or components for equipment, and no information or data is available to ensure that the parts or components obtained from another supplier will perform the same function in the equipment as the part or component to be replaced.
 - o The procurement is for upgrades, enhancements or additions to hardware or for enhancements or additions to software, and no information or data is available to ensure that equipment or software from different manufacturers or developers will be as compatible as equipment or software from the original manufacturer(s) or developer(s), or would void or invalidate a manufacturer's warranty or guarantee.

- Emergencies: An emergency is defined as a sudden, unexpected occurrence posing a clear and imminent danger that will not permit delay that might result from a competitive procurement but requires immediate action to prevent or mitigate the loss or impairment of life, health, property, or essential public services. Competitive procurement requirements may be waived in the case of emergencies as determined by the Director of Library Services.

Small Business First Policy

San Mateo County Libraries is committed to supporting California small businesses. This policy, which is adapted from the State of California and the University of California Small Business First programs, will facilitate the Library in granting more procurement opportunities to California small businesses. The Small Business First policy is established under the following guidelines:

- 1. General Requirements:** For the purchase of goods and/or services valued up to \$200,000, that cannot already be procured through existing agreements, the Library may seek to award these procurements to a certified Small Business (SB) or Disabled Veteran Business Enterprise (DVBE) based in California.

To purchase goods and/or services valued up to \$100,000, the Library must only obtain one (1) quote from either a certified SB or DVBE based in California. To purchase goods and/or services valued between \$100,001-\$200,000, the Library must obtain at least two (2) quotes from certified SB or DVBE based in California.

Note: Any reference to certified Small Businesses includes Microbusinesses (MB). For vendors that submit a W9 selecting "Individual/sole proprietor or single-member LLC" as their business type, commonly referred to as "microbusinesses" or "self-employed," they will be assumed to be a small business and will not be required to provide a Small Business certification unless payment to the vendor exceeds \$20,000 in a single fiscal year or over the term of a contract. If the result of the procurement will exceed the \$20,000 threshold, proof of certification will be required to qualify under the Small Business First policy.

Businesses must be certified by the California Department of General Services Office of Small Business and DVBE Services (OSDS) or other accepted certifying agency. The list of acceptable certifications will be approved by the Director of Library Services and posted on the Library's website and will be updated as needed.

- 2. Quotes Not Attained:** If the Library is unable to obtain the necessary quotes from a SB or DVBE, the purchase will be subject to the standard competitive thresholds and processes outlined in the Library procurement policy.
- 3. Program Exemptions:** The following purchase and/or agreement types are exempt from the Small Business First policy: interagency, federal government, research sub-awards, local government, higher education institutions, revenue/reimbursement contracts, statutorily exempt, policy exempt, emergency, local assistance/subvention, proprietary contracts, and situations where the nature of the product or service sought, per the Director of Library Services' discretion, precludes use of a small business. The Small Business First program does not apply to circumstances where Federal, grant, court decision, or court order requirements dictate how funds can be expended.

PROCUREMENT POLICY - (Revisions)

Background and Purpose

In all matters related to procurement, the San Mateo County Libraries is committed to ensuring that goods and services are of high quality, available when needed, and competitively priced. We are dedicated to maintaining the highest standards of professional behavior and ethical conduct in public purchasing.

This policy is intended to detail the process by which the Library will obtain goods (tangible) and services (non-tangible) and also establishes guidelines and internal controls to provide reasonable assurance that the procurement process is fair, open and competitive.

General Provisions

1. **Administration:** The Director of Library Services is ultimately responsible for procurement administration to ensure full compliance with these activities and all established terms and conditions.
2. **Local Preference:** When the combination of price, quality and terms and conditions are substantially equal, the Library shall give preference in purchasing to San Mateo County-based goods and service providers.
3. **Minority, Women Owned, and Small Business Solicitations:** Where possible, efforts should be made to solicit proposals from small businesses, and women- and/or minority-owned businesses.
4. **Living Wage Ordinance:** All Library contracts will include a standard provision requiring compliance with the County of San Mateo Living Wage Ordinance, which sets a minimum wage contractors are required to pay employees providing services under county contracts. The Library Director may approve waiving compliance on a case-by-case basis.
5. **Term:** The length of the contract term (beginning and ending date) may vary depending on the type of contract, but the term must not be more than five years. The maximum five-year term includes any amendments to the contract term. Language must also include a detailed scope of work, a description of the deliverables, due dates, payment amount, payment rates, payment process and schedule.
6. **Splitting Contracts:** Efforts to split a contract into two or more contracts for the purpose of circumventing dollar limits on approval processes or other requirements are prohibited.
7. **Insurance Requirements:** The following are the Library's standard insurance requirements for contracts which may be adjusted based on the nature of the goods and services being provided. The Contractor shall take out and maintain during the life of this Agreement such Bodily Injury Liability and Property Damage Liability Insurance as shall protect him/her while performing work covered by this Agreement from any and all claims for damages for bodily injury, including accidental death, as well as any and all operations under this

Agreement, whether such operations be by himself/herself or by any subcontractor or by anyone directly or indirectly employed by either of them. Such insurance shall be combined single limit bodily injury and property damage for each occurrence and shall not be less than \$1,000,000. All contractors performing work/services with the County Library must have a minimum of \$1 million general liability insurance, \$1 million auto insurance, and, to the extent legally required, statutory workers' compensation insurance, and the County Library must be named as an additional insured by insurer-issued written endorsement, a copy of which shall be provided to the Director of Library Services prior to initiation of work by contractor. Carrier's liability insurance at \$0.60 per pound, per item will also be provided.

8. Legal Review: Contracts for services and vendor agreements above \$200,000, or agreements that do not use the Library's standard templates, shall be reviewed by the Library's legal counsel to approve as to form and legality.

9. Authorized Signatures:

The following are authorized to approve invoices based on the amounts listed below:

Library Managers	\$9,999 and Below
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Bi-annually, a list of invoices paid with a value of \$50,000 or greater will be provided to the JPA Governing Board.

The following are authorized to execute agreements, contracts, and amendments or change orders based on the amounts listed below:

Director of Library Services	\$200,000 and Below
Chair, Library JPA Governing Board	\$200,001 and Above

The value of an agreement shall be determined by the total amount of the agreement. For example, if a contract is \$120,000 per year for a ~~total~~ of two years, its total value is \$240,000.

Estimated costs for individual fixed assets of \$200,001 or above will be listed in the annual budget. If the actual cost once bid is 20 percent or more higher than originally estimated in the budget, JPA Governing Board pre-approval of the new cost will be required. The JPA Governing Board Chair will continue to execute any associated invoices or contracts of \$200,001 and above.

10. Contract Amendments: If an existing current contract requires a change, the contract must be amended. The amendment then becomes part of the existing contract. Examples of changes include an extension of the term, a change in the amount of the contract, modifications to the scope of work, or new standard contract language that was not in place at the time of the original contract. The requirements described in this memorandum also apply to contract amendments.

If an amendment causes a contract's total payment amount to exceed \$200,000, all requirements for contracts exceeding \$200,000, including the requirement for approval by the JPA Governing Board Chair, must be met. Contract amendments must not be used to circumvent solicitation requirements when a contract's total payment amount would be reasonably expected to exceed \$200,000.

If a project under contract is underway and extenuating circumstances require an amendment that causes the contract total amount to exceed \$200,000, an exception to the competitive process, where legally justified, may be approved by the JPA Governing Board Chair.

11. Library as Independent Contractor: When the Library receives financial compensation from a third party for the Library's provision of services, the Director of Library Services is authorized to approve and execute agreements \$200,000 and below. All contracts in which the Library receives more than \$200,000 must be approved by the Chair of the Library JPA Governing Board.
12. The Library Joint Powers Authority allows the Library to award a procurement to a certified small business up to \$200,000 without being competitively bid, so long as the Library follows the guidelines established in the SMCL Small Business First policy.
13. The competitive thresholds outlined in this policy and the SMCL Small Business First policy refer to the total value of goods and/or services, of the same general classification, purchased from a single vendor in one fiscal year period or, if a contract is awarded, the total not to exceed amount for all years under the contract.

Selection Process for Procuring Services

~~Services refer to professional and non-professional services that provide support to and facilitate Library operations.~~

1. ~~Services \$9,999 and Below: A formal Request for Proposal (RFP) process~~ Documentation is not required. However, internal procedures should be employed to ensure that the selection process is fair, ~~that~~ the provider is qualified, and ~~that~~ the cost is competitive
2. ~~Services \$10,000 to \$200,000: A formal RFP process is not required. However, staff are expected to exercise their best efforts to obtain a minimum of three quotes from potential providers. The results of another public agency's competitive process may also be used. Staff must document how and why each provider was selected. Staff must document the responses received and their recommendation for vendor selection for approval by the Director of Library Services. Price will be considered in addition to other relevant criteria, which may include, but is not limited to, the quality of the goods or services, delivery timelines, and vendor experience.~~

3. Services \$200,001 and Above: This category requires that either a formal Request for Proposals (RFP) or Invitation for Bid (IFB) process be followed.

An RFP is used when pricing is not the only factor that needs to be considered for vendor selection. RFPs shall be posted on the Library's website along with all answers to questions submitted by potential vendors. The purpose of this process is to encourage competition, give all qualified providers the opportunity to be considered, and ensure that the Library receives the best value in obtaining services. Another purpose of the RFP is to encourage competition and ensure that all qualified providers are given an opportunity to be considered. RFPs are to be evaluated based on the evaluation criteria set forth in the RFP. The determination of "best value" is not based solely on the lowest price or the highest quality. It involves a subjective weighting of efficiency, quality, and economy, and a recommendation as to how the services might best be provided. The outcome of the evaluation of proposals should be regarded as the recommendation of the provider with whom negotiations will be initiated regarding the work and the terms of the contract. The results of another public agency's competitive process may also be used.

An IFB is used when specifications are well defined, and price, responsibility, and responsiveness are the only determining factors in vendor selection. IFBs shall be posted on the Library's website along with all answers to questions submitted by potential vendors. Bids are to be evaluated based on the requirements set forth in the IFB. The evaluation shall be based on the face value of the bid and, when applicable, may consider the following cost factors: the total bid price including discounts, the unit or extended price, hour rates for specified personnel, maintenance costs and warranty provisions, the cost and rate of freight shipping and handling, assembly and start up. Responsiveness will be determined by whether the bid conforms to the instructions set forth in the IFB. Responsibility may take into consideration matters such as the bidder's integrity, compliance with public policy, and record of past performance with other entities. After the bids are evaluated, the award shall be made to the lowest responsive, responsible bidder.

Contracts for professional services will generally be awarded pursuant to the above guidelines; however, it is recognized that the Library's needs for consultant services will vary from situation to situation, and accordingly, flexibility will be provided in determining the appropriate evaluation and selection process to be used in each specific circumstance. An open-market blanket purchase order or contract may be established, after the appropriate competitive process is followed, for which the Library has a recurring need on an "as-needed" basis.

Selection Process for Procuring Goods

Goods refer to the goods, materials, software, equipment, furniture, supplies and related services procured by the Library.

- 1) Goods \$1 to \$9,999: Specific purchasing requirements are not ordinarily expected for this level of purchase. However, the use of competitive quotations, when reasonably practical, ensures the acquisitions are of sound value and guards against bias.

- 2) ~~Goods \$10,000 to \$200,000: This category requires that informal or open market procedures be followed. An open market solicitation is used to purchase goods by soliciting from any available source, and whenever practical be based on a least three quotes and awarded to the lowest and most responsive and responsible provider. Staff must document how and why goods were selected. The results of another public agency's competitive process may also be used. An open market blanket purchase order may be established for goods for which the Library has a recurring need on an "as-needed" basis.~~
- 3) ~~Goods \$200,001 and Above: This category requires that a formal Request for Quotations (RFQ) process be followed. RFQs shall be posted on the Library's website along with all answers to questions submitted by potential vendors. Bids are to be evaluated based on the requirements and criteria set forth in the RFQ. The evaluation shall be based on the face value of the bid and, when applicable, consider the following cost factors: the total bid price including discounts, the unit or extended price, hour rates for specified personnel, maintenance costs and warranty provisions, the cost and rate of freight shipping and handling, assembly and start up. The evaluation shall also include consideration of the following responsibility and responsiveness factors when applicable: general reputation and experience of the bidder, adherence to the requirements and condition of the RFQ, quality and quantity of merchandise offered, compatibility with existing systems, overall completeness of the commodity line offered and delivery or completion date. After the bids are evaluated, the award shall be made to the lowest responsible responsive bidder. The results of another public agency's competitive process may also be used. An open market blanket purchase order may be established for goods for which the Library has a recurring need on an "as-needed" basis.~~

Cooperative Agreements / Piggybacking

The result of another public agency's competitive process may be used in lieu of completing a new competitive process if the following conditions are met:

- The competitive process was completed by a public entity or consortium of public entities and it resulted in a contract which is still in effect.
- The goods or services in the contract are the same as the goods or services the Library requires. Note that the piggyback concept may not apply in public works contracts.
- The competitive process was of the same rigor as required by the Library's competitive process.
- Consent is received from both the public agency and vendor to piggyback on the contract.

Eligible procuring agencies will include, but are not limited to: County of San Mateo, Califa, California Multiple Awards Schedule (CMAS), and Omnia Partners.

Exceptions

The competitive procurement requirements of this policy may not apply if, under particular circumstances, an exception is warranted and legally justified. If an exception applies, written approval of the exception must be obtained from the Director of Library Services.

The following are examples of circumstances that may be considered in authorizing case-by-case exceptions to this policy. These options should only be utilized when justified and necessary to meet the Library's needs and supported by objective analysis and documentation.

- Sole Source: A sole source procurement occurs if it has been determined through research and documentation that there is only one source for the required product or service. Example sole source qualification:
 - Competition is precluded because of the existence of patent rights, copyrights, or similar circumstances and there is no equivalent item or service.

- Single Source: A single source procurement is a sourcing method used to procure a product or service from one source, without soliciting competition, even though there are other vendors that can provide the product or service. Example single source exemption qualifications include:
 - The procurement is for replacement parts or components for equipment, and no information or data is available to ensure that the parts or components obtained from another supplier will perform the same function in the equipment as the part or component to be replaced.
 - The procurement is for upgrades, enhancements or additions to hardware or for enhancements or additions to software, and no information or data is available to ensure that equipment or software from different manufacturers or developers will be as compatible as equipment or software from the original manufacturer(s) or developer(s), or would void or invalidate a manufacturer's warranty or guarantee.

- Emergencies: An emergency is defined as a sudden, unexpected occurrence posing a clear and imminent danger that will not permit delay that might result from a competitive procurement but requires immediate action to prevent or mitigate the loss or impairment of life, health, property, or essential public services. Competitive procurement requirements may be waived in the case of emergencies as determined by the Director of Library Services.

Small Business First Policy

San Mateo County Libraries is committed to supporting California small businesses. This policy, which is adapted from the State of California and the University of California Small Business First programs, will facilitate the Library in granting more procurement opportunities to California small businesses. The Small Business First policy is established under the following guidelines:

1. **General Requirements**: For the purchase of goods and/or services valued up to \$200,000, that cannot already be procured through existing agreements, the Library may seek to award these procurements to a certified Small Business (SB) or Disabled Veteran Business Enterprise (DVBE) based in California.

To purchase goods and/or services valued up to \$100,000, the Library must only obtain one (1) quote from either a certified SB or DVBE based in California. To purchase goods and/or services valued between \$100,001-\$200,000, the Library must obtain at least two (2) quotes from certified SB or DVBE based in California.

Note: Any reference to certified Small Businesses includes Microbusinesses (MB). For vendors that submit a W9 selecting "Individual/sole proprietor or single-member LLC" as their business type, commonly referred to as "microbusinesses" or "self-employed," they will be assumed to be a small business and will not be required to provide a Small Business certification unless payment to the vendor exceeds \$20,000 in a single fiscal year or over the term of a contract. If the result of the procurement will exceed the \$20,000 threshold, proof of certification will be required to qualify under the Small Business First policy.

Businesses must be certified by the California Department of General Services Office of Small Business and DVBE Services (OSDS) or other accepted certifying agency. The list of acceptable certifications will be approved by the Director of Library Services and posted on the Library's website and will be updated as needed.

2. **Quotes Not Attained:** If the Library is unable to obtain the necessary quotes from a SB or DVBE, the purchase will be subject to the standard competitive thresholds and processes outlined in the Library procurement policy.
3. **Program Exemptions:** The following purchase and/or agreement types are exempt from the Small Business First policy: interagency, federal government, research sub-awards, local government, higher education institutions, revenue/reimbursement contracts, statutorily exempt, policy exempt, emergency, local assistance/subvention, proprietary contracts, and situations where the nature of the product or service sought, per the Director of Library Services' discretion, precludes use of a small business. The Small Business First program does not apply to circumstances where Federal, grant, court decision, or court order requirements dictate how funds can be expended.



To: JPA Governing Board
From: Anne-Marie Despain, Director of Library Services
Carine Risley, Deputy Director of Library Services
Date: October 30, 2024
Meeting: November 4, 2024
Re: Draft 2025-2030 Strategic Plan

A handwritten signature in black ink, appearing to read "Anne-Marie Despain".

Background

The current FY 2024-25 budget approved by the JPA Governing Board on June 17, 2024, included the following priority:

Complete robust strategic planning work to develop a new vision, mission and strategic goals for the future. Implement our new Strategic Plan to ensure our work responds to the priorities identified through community and stakeholder outreach and engagement efforts.

Strategic planning efforts began in early 2024 with the selection of InterEthnica, a Bay Area-based business owned and operated by women of color, to partner with us and help lead our planning process. Library staff and InterEthnica implemented a nine-month engagement process. Working collaboratively with stakeholders, the new strategic plan continues to build upon the library's successes and our position as a vital community resource.

Discussion

Strategic Planning Process

Library staff and InterEthnica have worked diligently to inclusively engage our stakeholders and communities. Our strategic planning process consisted of five key phases:

- Comprehensive Analytical Research and Discovery
- Stakeholder Engagement
- Extensive, Inclusive, and Multicultural Engagement
- Socializing Finding and Strategic Plan Draft Development
- Collaborative Refinement and Final Plan Presentation

Comprehensive Analytical Research and Discovery

This phase focused on conducting a thorough research and discovery process. We updated our demographic analysis to help identify gaps in reach and researched current and emerging trends in library science, public service, technology, and community interests.

The demographics analysis showed that there continues to be clear disparities in household income by race and ethnicity. Households in our service area generally have higher average incomes compared to Hispanic, Latinx or Black households. From the emerging trends analysis, we found that public libraries across the nation are experiencing similar challenges and opportunities, including grappling with feelings of stress and burnout in the library profession, turning toward more data-informed decision making, and expanding partnerships.

Stakeholder Engagement

During this phase, we engaged with library staff, volunteers, and the Library JPA through interviews and workshops to understand internal perspectives and insights. InterEthnica led engagements with the Operations Committee and Governing Board members as well as our Foundation Chair and Friends of the Library Presidents. In addition, 22 in-depth interviews with staff members throughout the organization were conducted along with other internal engagement efforts for feedback and input.

Key findings included opportunities to better serve teens and seniors, increase cultural programming, and promote digital equity. In addition, staff highlighted the growing need for mental health and social service support in the community, a need for updated and adaptable physical spaces, and a desire for robust professional development and training opportunities.

Extensive, Inclusive, and Multicultural Community Engagement

This phase was accomplished through three main efforts: 1) Completion of 3,500 Surveys representing all of our communities; 2) Five Focus Groups; and 3) Stakeholder Interviews.

- 1) Completion of 3,500 Surveys: Thanks to our staff's tireless efforts and dedication to the community, we successfully met our ambitious goal of engaging 3,500 community members in our survey. The surveys were gathered through in-person street interviews, in-person library surveys and via our community newsletter. Key findings included:
 - Respondents indicated that what would be most helpful for community members to feel more confident using technology would be free classes on how to use computers, smartphones, tablets, and the internet.
 - Most respondents are interested in cultural events and more than half of respondents are interested in building community at local events or meetups.
 - Email communication is the preferred form of communication, followed by social media.
 - 11% of respondents have not used any in-person library services in the last two years and 23% have not used any online library services in the last two years.
 - Preference for using libraries in person or online shows that 40% prefer in person, 32% online, and 28% have no preference. There is a variance in these preferences across age groups, with teens having a stronger preference for online services and seniors for in-person services.
- 2) Five Focus Groups: The focus groups aimed to elicit deep insights and perspectives and were held for the following groups: Spanish speakers, Chinese speakers, seniors, teens, and parents. Participants across all groups consistently envision the library as transcending its

traditional book role into a multi-functional community space, and participants underscored the importance of library spaces that can support a diversity of needs.

- The Spanish speaking focus group emphasized the importance of communicating in multiple languages and personalized assistance.
- The parent focus group highlighted the need for multilingual support, educational services, and a hub that brings together community resources.
- Chinese participants desired culturally sensitive approaches and emphasized the importance of welcoming library environments that reflect their culture.
- Teens envisioned our libraries as creative places to explore personal interests and support academic goals.
- Seniors shared a desire for more offerings tailored to their needs, focusing on supporting their daily lives and expanding their social connections.

3) Stakeholder Interviews: 20 Interviews were conducted with leaders from non-profits, education, faith-based organizations, and more. Several interviewees highlighted a growing demand for mental wellness services, particularly within the Latinx, Chinese and LGBTQ+ communities. The theme of awareness and communication emerged, with many interviewees highlighting that community members are often unaware of the services provided by libraries as well as their own organizations. Organizations are seeking partnerships with the Library to spread awareness about their offerings and to support the Library in sharing information about our services with their communities.

Socializing Findings and Strategic Plan Draft Development

The insights and data collected in the preceding phases were shared in a variety of ways with staff and stakeholders. A presentation and Q&A session was presented by InterEthnica to library staff and managers to provide important updates on the strategic planning process, discuss key findings, and seek further input into the mission creation process. In addition, InterEthnica presented their key findings to the Library JPA Operations Committee and Governing Board at their September meetings.

InterEthnica led collaborative work and recommended adaptations to the mission and vision statements, working with managers throughout the organization. At our annual All Staff Development Day, all staff had an opportunity to share and hear stories that serve as the foundation for our mission and vision and provided input on our organizational values.

Collaborative Refinement and Final Plan Presentation

This current phase of the strategic planning process culminates in the presentation of major findings and the review of new draft vision and mission statements and strategic goals.

Feedback and input from the Operations Committee and Governing Board is critical in ensuring the plan's relevance and effectiveness, as well as building consensus. Following your review and approval, we will finalize the strategic plan for its launch in the new year.

Draft 2025-2030 Strategic Plan

We are proposing a five-year strategy that offers a visionary management tool to guide our decisions and actions, focusing on who we are, what we do, and why we do it. The plan identifies key priorities and establishes principles that reflect the dynamic environment we operate in.

The mission and vision statements establish the guiding principles that will ignite and define our organizational future, serving as the foundation for the 2025 –2030 Strategic Plan. The vision is aspirational, while the mission explains the reason we exist.

Our strategic goals describe what the organization will seek to accomplish over the next five years. These goals provide a framework for measuring success and identifying long-term outcomes we hope to achieve based on the wide array of broad-based input from stakeholders.

An ongoing focus on information-gathering and data-driven decision making throughout implementation will help us evaluate the effectiveness of our actions in advancing towards our goals--not just annually but also ensuring that we are incrementally sustaining and building on our progress over the next five years.

Upon Governing Board approval, staff will work with InterEthnica to complete the final strategy report to coincide with a public launch in the new year. A priority in crafting the new plan is to communicate clearly and memorably with our community members, and we look forward to sharing the 2025-2030 strategic plan through a multimedia campaign in multiple languages.

The new plan not only shapes the future of San Mateo County Libraries but will also be a vital tool to deepen our understanding and connection to those we serve.

Fiscal Impact

There is no fiscal impact associated with accepting this report.

Recommendation

Recommend the Library JPA Governing Board review and provide input on the new 2025-2030 Strategic Plan.

Attachment

San Mateo County Libraries Draft 2025-2030 Strategic Plan



Vision: Where community grows and thrives

Mission: Together, we build meaningful connections and inspire lifelong curiosity

Our Goals

We listen to our community and create responsive services and spaces where everyone belongs

Actions:

- Actively reach out to our communities to ensure they are heard
- Prioritize culturally relevant, community-focused and intergenerational programming
- Ensure staff, collections, programs and library spaces reflect our communities
- Offer fun, free and joyful opportunities that inspire and uplift
- Enhance and update facilities to create inviting and flexible spaces



We connect people and build partnerships to achieve shared goals

Actions:

- Align our efforts with the needs and aspirations of our communities
- Build partnerships that bridge community needs and library offerings
- Create opportunities to bring people together to strengthen connections
- Leverage resources in inventive ways to help our community flourish
- Communicate an inspiring vision and the library's story of impact





We engage our communities through meaningful outreach and expanded access to resources

Actions:

- Strengthen organizational capacity and prioritize our work and resources to enhance outreach efforts
- Connect community members to library experiences in ways that best meet their needs
- Provide a wide range of services and access points that extend beyond our buildings
- Utilize a variety of communication platforms, including multimedia and language resources, to share library programs and services



We champion a culture of continuous growth and discovery for all

Actions:

- Engage children, teens, adults and seniors in high quality, research informed experiences
- Sustain our strong literacy initiatives with a dedicated focus on low literacy and English-language learners of all ages
- Prioritize digital literacy by ensuring our communities have access to a variety of technologies, reliable internet and essential digital skills
- Champion the freedom to read and explore a rich diversity of information, ideas, and perspectives
- Support the growth and well-being of our library champions

