



SCLC Audit and Finance Committee
Thursday, February 4, 2021
10 a.m.

Join Zoom Meeting

<https://us02web.zoom.us/j/84210034239?pwd=QWQ0UElsNE1UbFRjTUNLY0dHUXF3dz09>

Meeting ID: 842 1003 4239
Passcode: 525922

AGENDA

All items may be considered for action

1. Opening Heather Cousin
 - a. Chairperson's welcome
Chairperson introduces any guests or new members.
 - b. Roll call

2. Public Forum
Opportunity for any guest or member of the public to address the committee on any item of SCLC Audit and Finance Committee business.

3. Consent Calendar
All items on the consent calendar may be approved by a single motion. Any committee member may request an item be removed from the consent calendar and placed on the agenda for discussion.
 - a. Minutes of the August 6, 2020 Audit and Finance Committee meeting.

4. Adoption of Agenda Heather Cousin

5. Investment Report Carol Dinuzzo

6. Revenue Update Carol Dinuzzo

Southern California Library Cooperative

254 North Lake Avenue #874 • Pasadena, California 91101
(626) 283-5949 • Fax (626) 283-5949

Website: <http://www.socallibraries.org> • E-mail: sclcadmin@socallibraries.org

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|-----|--------------------------------------|-----------------|
| 7. | Financial Audit Update | Carol Dinuzzo |
| 8. | Proposed CLSA Allocation for 2021/22 | Diane Bednarski |
| 9. | Other | |
| 10. | Adjournment | Heather Cousin |



ACTION ITEMS

Meeting: _____ Audit and Finance Committee _____

Date: _____ February 4, 2021 _____

Library: _____

Name: _____

Signature: _____

Date: _____

Agenda Item: _____

_____ Aye

_____ Nay

_____ Abstain

Agenda Item: _____

_____ Aye

_____ Nay

_____ Abstain

Agenda Item: _____

_____ Aye

_____ Nay

_____ Abstain

Agenda Item: _____

_____ Aye

_____ Nay

_____ Abstain

Agenda Item: _____

_____ Aye

_____ Nay

_____ Abstain

Agenda Item: _____

_____ Aye

_____ Nay

_____ Abstain



SCLC Audit and Finance Committee
Teleconference via Zoom
Thursday, October 8, 2020
10 a.m.

Minutes Draft

Attendees

Anderson, Susan – Redondo
Cousin, Heather – Thousand Oaks
Graf, Ann – Azusa
Lockwood, Barbara – Calabasas
Ryan, Joyce – Santa Fe Springs
Wong, Patty – Santa Monica

Other

Bednarski, Diane – SCLC
Dinuzzo, Carol - SCLC
Rivas, Lori – SCLC

1. Opening Heather Cousin
Meeting called to order at 10:05am.
2. Public Forum
No guests or members of the public present.
3. Consent Calendar
a. MSP (Ryan/Graf) to approve minutes from the August 6, 2020 Audit and Finance Committee meeting.
4. Adoption of Agenda
MSP (Ryan/Lockwood) to adopt agenda, as presented.

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5. Purpose of Committee Diane Bednarski
Bednarski reviewed the SCLC Standing Rules, which define the role of the Audit and Finance Committee, underscoring the complexity of managing the SCLC finances. Suggestion to amend wording on first bullet point to reflect that committee members do not oversee the audit in terms of participating in the audit meeting, but rather ensure that the audit is conducted and review the findings. MSP (Wong/Ryan) to approve Bednarski and Cousin to amend wording, and bring changes to the Administrative Council, for approval.
6. Investments Review for compliance and performance Carol Dinuzzo
Dinuzzo reviewed the LAIF account, noting the healthy interest gain of approximately \$7000, and highlighting the safety of the LAIF investment.
7. Updated Reserve Fund Policy Diane Bednarski
Bednarski presented the updated Reserve Fund Policy, as approved by the Administrative Council on August 27, 2020.
8. Healthcare Premiums Carol Dinuzzo
Dinuzzo reviewed the rising healthcare premiums. Members confirmed these increases reflect similar increases within member agencies.
9. Current Revenue Carol Dinuzzo
Dinuzzo reviewed the SCLC revenue for FY20/21, noting the PLSEP awards were made subsequent to creating this report. The third column for staffing reflects billing for grants which require additional administrative management, above the indirect funding.
10. Financial Audit – What to expect Carol Dinuzzo
Audit for all five systems will be conducted in November 2020. Dinuzzo anticipates extended time to conduct audit, as COVID-19 eliminated the interim testing scheduled for March 2020.
11. Other
12. Adjournment
Meeting adjourned at 10:43pm.



DATE: February 4, 2021
TO: SCLC Audit & Finance Committee
FROM: Carol Dinuzzo, Controller, SCLC
SUBJECT: Investments Report

INVESTMENTS: The investment overview reflects the balance of the LAIF account as of December 2020.

The Local Agency Investment Fund (LAIF) reflects a capital gain of \$11,029 since the beginning of the fiscal year:

Beginning Balance as of July 1, 2020: \$1,907,996

Ending Balance as of September 30, 2020: \$1,919,025

PMIA Average Monthly Effective Yields (December 2020): 0.540%

*Interest is paid quarterly on the 15th of the month following quarter-end

FISCAL IMPACT: None at this time.

RECOMMENDATION: Informational

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DATE: February 4, 2021
 TO: SCLC Audit & Finance Committee
 FROM: Carol Dinuzzo, Controller, SCLC
 SUBJECT: Revenue Report

BACKGROUND: CLSA allocations, individual system contributions and updated grant awards for all systems are listed below. With the updated figures, anticipated SCLC revenue has increased by \$540,666 since October.

Organization	Grant Name	Total	Indirect/System Admin	Staffing
SCLC	CLSA	\$ 293,861.00	\$ 73,464.00	
	CLCI	\$ 1,233,190.00	\$ 69,278.00	\$ 19,220.00
	ELF	\$ 462,705.00	\$ 35,667.00	\$ 13,835.00
	Shared Vision	\$ 108,500.00	\$ 10,850.00	
	PLSEP	\$ 92,507.00	\$ 9,251.00	\$ 9,200.00
Serra	CLSA	\$ 112,325.00	\$ 28,081.00	
	Projected System Contribution		\$ 30,000.00	
	Creando	\$ 37,153.00	\$ 3,415.00	\$ 8,521.00
	PLSEP	\$ 26,054.00	\$ 2,605.00	\$ 2,000.00
49-99	CLSA	\$ 62,408.00	\$ 15,677.00	
	Approved System Contribution		\$ 15,000.00	
	PLSEP	\$ 6,488.00	\$ 649.00	\$ 800.00
Inland	CLSA	\$ 158,367.00	\$ 39,593.00	
	Approved System Contribution		\$ 40,000.00	
	PLSEP	\$ 26,466.00	\$ 2,647.00	\$ 2,800.00
Santiago	CLSA	\$ 84,267.00	\$ 21,067.00	
	Approved System Contribution		\$ 40,000.00	
	PLSEP	\$ 30,446.00	\$ 3,045.00	\$ 2,800.00
TOTALS	\$ 3,234,202.00	\$ 2,734,737.00	\$ 440,289.00	\$ 59,176.00
TOTAL SCLC REVENUE:	\$ 2,690,228.00			

FISCAL IMPACT: None at this time.

RECOMMENDATION: Informational

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DATE: February 4, 2021
TO: SCLC Audit & Finance Committee
FROM: Carol Dinuzzo, Controller, SCLC
SUBJECT: Financial Audit

BACKGROUND: Interim testing was conducted in November for all five systems managed by SCLC. Final testing is to be conducted later in February.

Initials findings to be addressed:

- Stale dated checks
- Bank reconciliation process

Other discussions included SCLC's updated payroll process and how to move toward more electronic record retention.

Updates on the final audit testing will be provided at the next Audit and Finance Committee meeting

FISCAL IMPACT: None at this time.

RECOMMENDATION: Informational

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DATE: February 4, 2021
TO: SCLC Audit & Finance Committee
FROM: Diane Bednarski, Executive Director, SCLC
SUBJECT: Proposed CLSA Allocation for 2021/22

BACKGROUND:

The approved statewide CLSA funding in the State Budget for 2019/20 was \$3,630,000, and that amount was reduced to \$1,880,000 for 2020/21. The Governor's proposed budget for 2021/22 does not reference any modification to the annual CLSA allocation. As such, the proposed funding level would remain at the reduced levels applied for the 2020/21 fiscal year.

SCLC's CLSA allocation for 2019/20 was \$704,390 and because of the statewide reduction the allocation for 2020/21 was \$367,325. SCLC has been able to address the reduction through a combination of increased grant revenue (related in part to changes in how SCLC can claim reimbursement for staff salaries) and stable revenue from the four cooperative systems for whom SCLC provides fiscal and administrative services. These two offsetting revenue sources may decline in the upcoming fiscal year.

Efforts are underway to request that CLSA funding levels be restored to the 2019/20 levels when the final State Budget is adopted.

FISCAL IMPACT: TBD

RECOMMENDATION: Informational

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SCLC Audit and Finance Committee Meeting Dates

2020/21
10am

Thursday, August 6, 2020

Thursday, October 8, 2020

Thursday, February 4, 2021

Thursday, April 22, 2021

Meetings will be held by conference call.
Locations will be determined if needed.

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