

AGENDA

BOARD OF LAW LIBRARY TRUSTEES of the LOS ANGELES COUNTY LAW LIBRARY

REGULAR BOARD MEETING
Wednesday, August 24, 2016
12:15 PM
MILDRED L. LILLIE BUILDING
TRAINING CENTER
301 WEST FIRST STREET
LOS ANGELES, CA 90012-3140

ACCOMMODATIONS

A person with a disability may contact the Board Secretary's office at (213) 785-2511 at least 24 hours before the scheduled meeting to request receipt of an agenda in an alternative format or to request disability-related accommodations, including aids or services, in order to participate in the public meeting. Later requests will be accommodated to the extent feasible.

AGENDA DESCRIPTIONS

The agenda descriptions are intended to give notice to members of the public of a brief general description of items of business to be transacted or discussed. The posting of the recommended actions does not indicate what action will be taken. The Board may take any action that it deems to be appropriate on the agenda item and is not limited in any way by the notice of the recommended action. The President reserves the right to discuss the items listed on the agenda in any order.

REQUESTS AND PROCEDURES TO ADDRESS THE BOARD

A member of the public has the right to address the Board on agenda items or on items of interest which are not on the agenda and which are within the subject matter jurisdiction of the Board. All requests to address the Board must be submitted in person to the Board President prior to the start of the meeting. Public comments will be taken at the beginning of each meeting as Agenda Item 1.0. A member of the public will be allowed to address the Board for a total of three (3) minutes for a single item or a maximum of five (5) minutes for all items unless the President grants more or less time based on the number of people requesting to speak and the business of the Board. When members of the public address the Board on agenda items, the President determines the order in which speakers will be called. Persons addressing the Board shall not make impertinent, slanderous or profane remarks to the Board, any member of the Board, staff or general public, nor utter loud, threatening, personal or abusive language, nor engage in any other disorderly conduct that disrupts or disturbs the orderly conduct of any Board Meeting. The President may order the removal of any person who disrupts or disturbs the orderly conduct of any Board Meeting.

AGENDA MATERIALS

Unless otherwise exempt from disclosure, all materials relating to items on the agenda distributed to all, or a majority of the members of the Board less than 72 hours prior to the meeting shall be made available for public inspection at the time the writing is distributed in the Executive Office of the Law Library.



CALL TO ORDER

1.0 PUBLIC COMMENT

2.0 PRESIDENT'S REPORT

3.0 CONSENT CALENDAR

- 3.1 Approval of Minutes of the July 27, 2016, Regular Board Meeting.
- 3.2 Review of June Financials and List of July Checks and Warrants
- 3.3 Approval of Annual Report to the Board of Supervisors
- 3.4 Approval of Vasquez & Company LLP Engagement Letter to Audit the Law Library's Financial Statements for FY2015-16
- 3.5 Approval of Law Library Closure on Dec. 24 and Dec. 31, 2016
- 3.6 Approval of Revised Job Description for Global Law Librarian Position

4.0 DISCUSSION ITEMS

- 4.1 Strategic Plan Beginnings: Update to the List of the Library's Strengths, Weaknesses, Opportunities and Threats
- 4.2 Staff Presentation of Library Tours (CA Gold, Global, Ghost)

5.0 AGENDA BUILDING

Items not on the posted agenda may be presented by a Trustee and, if requested, may be referred to staff or placed on the agenda for consideration at a future meeting of the Board.

6.0 EXECUTIVE DIRECTOR REPORT

7.0 ADJOURNMENT

It is requested that the meeting be adjourned in memory of Kalman Zemplyny who was a member of the Friends of the Los Angeles County Law Library Board.

The next Regular Meeting of the Board of Law Library Trustees is scheduled for Wednesday, September 28, 2016.

POSTED FRIDAY, AUGUST 19, 2016 @ 5:15 P.M.

POSTED BY ANN MARIE GAMEZ



AGENDA ITEM 3

CONSENT CALENDAR

- 3.1 Approval of Minutes of the July 27, 2016 Regular Board Meeting.
- 3.2 Review of June Financials and List of July Checks and Warrants
- 3.3 Approval of Annual Report to the Board of Supervisors
- 3.4 Approval of Vasquez & Company LLP Engagement Letter to Audit the Law Library's Financial Statements for FY2015-16
- 3.5 Approval of Law Library Closure on Dec. 24 and Dec. 31, 2016
- 3.6 Approval of Revised Job Description for Global Law Librarian Position

**MINUTES OF THE SPECIAL BOARD MEETING
OF THE BOARD OF LAW LIBRARY TRUSTEES OF
LOS ANGELES COUNTY**

**A California Independent Public Agency Under
Business & Professions Code Section 6300 et sq.**

July 27, 2016

The Special Board Meeting of the Board of Law Library Trustees of Los Angeles County was held on Wednesday, July 27, 2016 at 4:30 p.m., at the Los Angeles County Law Library Mildred L. Lillie Main Library Building at 301 West First Street, Los Angeles, California 90012 for the purposes of considering reports of the affairs to the Library, and transacting such other business as might properly come before the Board of Trustees.

ROLL CALL/QUORUM

Trustees Present: Judge Ann I. Jones
Judge Mark Juhas
Judge Dennis Landin
Judge Richard Rico

Trustees Absent: Judge Michelle Williams Court
Kenneth Klein, Esquire
Susan Steinhauser, Esquire

Senior Staff Present: Sandra J. Levin, Executive Director

Also Present: Marcelino Juarez, Finance Manager

President Jones determined a quorum to be present, convened the meeting at 4:45 p.m. and thereafter presided. Executive Director, Sandra Levin recorded the Minutes.

1.0 PUBLIC COMMENT

Lee Paradise wished a Happy Birthday to LA Law Library and acknowledged its quasiquicentennial year. He added a special acknowledgement to staff for their efforts in making the years a success.

2.0 PRESIDENT'S REPORT

President Jones commended LA Law Library staff for the efforts and accomplishments of the 125th Anniversary celebration.

3.0 CONSENT CALENDAR

- 3.1 Approval of Minutes of the June 22, 2016 Regular Board Meeting.
- 3.2 Review of May 2016 Financials & June 2016 List of Checks and Warrants.
- 3.3 4th Quarterly Statistics Update
- 3.4 Approval of Revised Rules of Conduct

President Jones requested a motion to approve the Consent Calendar. So moved by Trustee Landin, seconded by Trustee Juhas. The motion was unanimously approved, 4-0.

4.0 DISCUSSION ITEMS

- 4.1 Approval to Reschedule October Board Meeting

Due to LA Law Library's fifth annual Pro Bono Week event, a discussion ensued regarding rescheduling the October Board Meeting as not to conflict with the various classes and the amount of visitors during the lunchtime programming and a shortage of available meeting space.

President Jones requested a motion to approve rescheduling the October Board Meeting to the week prior, Wednesday, October 19, 2016 at 12:15pm. So moved by Trustee Juhas, seconded by Trustee Rico. The motion was unanimously approved, 4-0.

5.0 CLOSED SESSION

- 5.1 **CLOSED SESSION:** Conference with Labor Negotiator (G.C. 54957.6). *Library Negotiator:* Board President, Hon. Ann I. Jones. *Employee Organization:* SEIU Local 721

No reportable action was taken.

6.0 PHOTOGRAPH

- 6.1 Board of Trustees Group Photograph

Photograph of the Board of Los Angeles Law Library Trustees was postponed to later in the evening as to make sure to include additional Trustees upon their arrival.

- 6.2 Screening of 125th Congratulations Video

7.0 AGENDA BUILDING

There were no items for agenda building.

8.0 EXECUTIVE DIRECTOR REPORT

ED Levin announced to the Board that the library had earned a \$40,000 credit card rebate by using the library VISA to make payments on invoices and that the library had received a long awaited payment from the City of Los Angeles in the amount of \$15,000. ED Levin also acknowledged the dedication and commitment from the LA Law Library staff and added that staff is proud of their library.

9.0 ADJOURNMENT

There being no further business to come before the Board the meeting was adjourned at 5:11p.m. The next Regular Meeting of the Board of Law Library Trustees is scheduled for Wednesday, August 24, 2016 at 12:15 pm.

Sandra J. Levin, Executive Director and Secretary
Los Angeles County Law Library Board of Trustees

Los Angeles County Law Library

Balance Sheet

As of June 30, 2016

(Provisional and subject to year-end audit adjustments)

	6/30/2015	6/30/2016	Change
Assets			
Current assets			
Cash and cash equivalents	3,305,891	3,551,273	245,382
Accounts receivable	1,336,578	1,312,177	(24,400)
Prepaid expenses	239,161	251,153	11,992
Total current assets	4,881,630	5,114,603	232,974
Noncurrent assets			
Restricted cash and cash equivalents	302,980	318,470	15,490
Investments	4,037,519	4,115,956	78,436
Capital assets, not being depreciated	583,433	586,433	3,000
Capital assets, being depreciated - net	19,894,170	19,002,370	(891,799)
Total noncurrent assets	24,818,102	24,023,229	(794,873)
Total assets	29,699,731	29,137,832	(561,899)
Deferred Outflows of Resources			
Deffered Outflows of Resources	403,501	907,530	504,029
Total assets and deferred outflows of resources	30,103,232	30,045,362	(57,870)
Liabilities			
Current Liabilities			
Accounts payable	219,034	206,320	(12,714)
Other current liabilities	8,260	3,631	(4,629)
Payroll liabilities	14,015	14,038	23
Total current liabilities	241,310	223,990	(17,320)
Noncurrent Liabilities			
Accrued sick and vacation liability	369,252	359,980	(9,272)
Borrowers' deposit	326,794	327,949	1,156
OPEB liability	(47,304)	81,954	129,258
Net pension liability	(169,785)	1,233,873	1,403,658
Total noncurrent liabilities	478,956	2,003,756	1,524,799
Total liabilities	720,266	2,227,746	1,507,480
Deferred Inflows of Resources			
Deferred Inflows of Resources	1,829,778	895,773	(934,005)
Total liabilities and deferred inflows of resources	2,550,044	3,123,519	
Net Position			
Invested in capital assets	20,477,603	19,588,803	(888,799)
Unrestricted	7,075,585	7,333,041	257,455
Total net position	27,553,188	26,921,844	(631,344)
Total liabilities and deffered inflows of resources and net position	30,103,232	30,045,363	(57,869)

Los Angeles County Law Library
Income Statement for the Period Ending June 30, 2016
(Provisional and subject to year-end audit adjustments)

Jun 15 Actual	Jun 2016			
	Budget	Actual	\$ Fav (Unf)	% Fav (Unf)
305,647	529,529	571,480	41,951	7.9%
(32,572)	2,161	3,477	1,315	60.9%
61,019	55,750	63,312	7,562	13.6%
78,980	33,294	64,759	31,465	94.5%
413,073	620,735	703,028	82,293	13.3%
(47,918)	235,217	277,184	(41,968)	-17.8%
0	0	82,153	(82,153)	0.0%
205,704	208,622	198,955	9,666	4.6%
(205,704)	(208,622)	(198,955)	(9,666)	4.6%
		0		
67,151	69,653	82,299	(12,645)	-18.2%
9,348	48,070	13,023	35,047	72.9%
4,994	3,731	3,402	329	8.8%
1,254	3,905	15	3,890	99.6%
0	2,120	0	2,120	100.0%
133	300	225	75	25.0%
2,690	2,898	1,853	1,045	36.1%
(183,780)	293,349	253,546	39,803	13.6%
418,887	659,243	713,699	54,456	8.3%
(5,814)	(38,508)	(10,671)	27,837	-72.3%
(1,256)	2,917	33,870	30,954	1061.3%
0	0	0	0	0.0%
0	0	0	0	0.0%
(7,173)	(35,591)	23,199	58,791	-165.2%
				0.0%
4,364	0	0	0	0.0%

	FY 2014-15	FY 2015-16 YTD				Comments
	YTD Actual	Budget	Actual	\$ Fav (Unf)	% Fav (Unf)	
Summary:						
Income						
L.A. Superior Court Fees	6,336,433	6,409,933	6,604,626	194,693	3.0%	
Interest	20,231	19,435	23,546	4,111	21.2%	
Parking	668,472	669,000	715,481	46,481	6.9%	
Library Services	523,697	496,377	546,501	50,125	10.1%	
Total Income	7,548,833	7,594,744	7,890,153	295,409	3.9%	
Expense						
Staff (payroll + benefits)	3,741,753	4,062,859	3,838,897	223,962	5.5%	
Electronic Resource Subscriptions	565,017	0	658,434	(658,434)	0.0%	
Library Materials	2,847,890	2,503,641	2,059,885	443,756	17.7%	
Library Materials Transferred to Assets	(2,847,890)	(2,503,641)	(2,059,885)	(443,756)	17.7%	
Facilities	839,275	851,455	871,193	(19,738)	-2.3%	
Technology & Data	111,770	177,636	124,504	53,132	29.9%	
General	81,118	70,198	59,551	10,647	15.2%	
Professional Development	20,775	22,557	12,948	9,609	42.6%	
Communications & Marketing	2,561	9,710	6,258	3,452	35.5%	
Travel & Entertainment	1,859	3,941	2,481	1,460	37.0%	
Professional Services	50,345	55,275	58,613	(3,338)	-6.0%	
Depreciation	2,844,276	3,497,517	2,967,037	530,480	15.2%	
Total Expenses	8,258,749	8,751,149	8,599,916	151,232	1.7%	
Net Income (Loss)	(709,916)	(1,156,404)	(709,763)	446,641	-38.6%	
Investment Gain (Loss)²	40,081	35,000	78,437	43,437	124.1%	
Extraordinary Income	16,582	0	0	0	0.0%	
Extraordinary Expense	0	0	0	0	0.0%	
Net Income Including Extraordinary Items	(653,647)	(1,124,321)	(631,326)	492,995	-43.8%	
					0.0%	
Capitalized Expenditures	48,739	1,310,000	15,354	1,294,646	98.8%	

Los Angeles County Law Library
Income Statement for the Period Ending June 30, 2016
(Provisional and subject to year-end audit adjustments)

Jun 15 Actual	Jun 2016				FY 2014-15 YTD Actual	FY 2015-16 YTD				Comments		
	Budget	Actual	\$ Fav (Unf)	% Fav (Unf)		Budget	Actual	\$ Fav (Unf)	% Fav (Unf)			
Detailed Budget:												
Income:												
305,647	529,529	571,480	41,951	7.9%	15 FIN 303300	L.A. Superior Court Fees	6,336,433	6,409,933	6,604,626	194,693	3.0%	For the first time in many quarters, court fees have come in above budget. Staff hopes this is an indication a more stable revenue stream.
Interest:												
949	813	1,803	991	122.0%	15 FIN 311000	Interest - LAIF	3,486	3,250	5,684	2,434	74.9%	Better than expected ROR.
1,100	1,192	1,433	242	20.3%	15 FIN 312000	Interest - General Fund	14,314	14,300	15,546	1,246	8.7%	
159	157	240	83	52.7%	15 FIN 313000	Interest - Deposit Fund	2,038	1,885	2,316	431	22.9%	
(34,883)	0	0	0	0.0%	15 FIN 313100	Interest - CalPERS CERBT ¹	0	0	0	0	0.0%	
103	0	0	0	0.0%	15 FIN 313200	Interest - Bonds ²	393	0	0	0	0.0%	
(32,572)	2,161	3,477	1,315	60.9%		Subtotal	20,231	19,435	23,546	4,111	21.2%	
Parking:												
61,019	55,750	63,312	7,562	13.6%	39 FAC 330100	Parking	668,472	669,000	715,481	46,481	6.9%	Favorable variance due in part to a \$14K payment from City of LA re: 2014's Made In America event.
61,019	55,750	63,312	7,562	13.6%		Subtotal	668,472	669,000	715,481	46,481	6.9%	
Library Services:												
1,073	200	2,436	2,236	1118.1%	27 CIRC 330150	Annual Borrowing Fee	2,860	2,400	4,272	1,872	78.0%	
8,205	9,165	6,183	(2,982)	-32.5%	25 P&P 330140	Annual Members Fee	113,185	109,980	114,996	5,016	4.6%	Statistically, additional revenue is due to a greater than projected number of new and renewing silver members; 143 bronze (vs. 150 projected), 152 silver (vs. 120 projected), and 16 gold (vs. 20 projected)
2,171	2,008	1,080	(928)	-46.2%	23 R&R 330340	Course Registration	30,284	24,096	26,990	2,894	12.0%	Includes a \$6,500 Business/Housing Rights Series sponsorship from Pacific Western Bank.
4,107	4,500	5,241	741	16.5%	27 CIRC 330129	Copy Center	59,815	54,000	60,303	6,303	11.7%	Better than anticipated performance.
2,338	1,900	1,538	(362)	-19.0%	27 CIRC 330205	Document Delivery	23,862	22,800	25,062	2,262	9.9%	Better than anticipated performance.
4,084	3,200	5,012	1,812	56.6%	27 CIRC 330210	Fines	39,196	38,400	44,447	6,047	15.7%	Better than anticipated performance.
18,994	8,333	27,353	19,020	228.2%	15 FIN 330310	Miscellaneous	65,757	66,845	59,514	(7,331)	-11.0%	Google reimbursement not yet realized due to a delay in payment and preliminary test period. Better than anticipated Visa program rebate.
288	3,585	15,622	12,037	335.7%	39 FAC 330330	Room Rental	53,993	43,020	62,927	19,907	46.3%	Partially offset by increased room rental expenses. See GL account 801060.
(49)	250	292	42	16.9%	27 CIRC 330350	Book Replacement	5,360	3,000	2,278	(722)	-24.1%	Timing variance.
0	0	(125)	(125)	0.0%	15 FIN 330360	Forfeited Deposits	0	0	13,081	13,081	0.0%	
35,000	0	0	0	0.0%	17 EXEC 330400	Friends of Law Library	120,000	120,000	120,000	0	0.0%	
0	0	0	0	0.0%	25 P&P 330420	Grants	0	0	0	0	0.0%	
130	153	127	(26)	-16.9%	39 FAC 330450	Vending	3,171	1,836	1,164	(672)	-36.6%	
2,639	0	0	0	0.0%	37 COM 330465	Special Events Income	6,214	10,000	11,467	1,467	14.7%	Partial offset by Special Events expenses. See GL account 801065.
78,980	33,294	64,759	31,465	94.5%		Subtotal	523,697	496,377	546,501	50,125	10.1%	
413,073	620,735	703,028	82,293	13.3%		Total Income	7,548,833	7,594,744	7,890,153	295,409	3.9%	
Expenses:												
Staff:												
177,577	194,429	219,735	(25,307)	-13.0%	ALL 501000	Salaries (benefits eligible)	2,422,696	2,527,571	2,340,459	187,112	7.4%	Favorable variance due to vacancies and Dec 2015 furloughs.
0	(3,889)	0	(3,889)	100.0%	15 FIN 501025	Staff Vacancy Offset (Ben. Eligible)	0	(50,551)	0	(50,551)	100.0%	Already reflected in reduced salary expense
18,332	18,380	22,645	(4,265)	-23.2%	ALL 501050	Salaries (benefits ineligible)	241,200	238,936	233,218	5,718	2.4%	
0	(368)	0	(368)	100.0%	15 FIN 501075	Staff Vacancy Offset (Ben. Ineligible)	0	(4,779)	0	(4,779)	100.0%	Already reflected in reduced salary expense
12,083	13,194	14,215	(1,021)	-7.7%	15 FIN 502000	Social Security	157,273	171,523	148,269	23,255	13.6%	Favorable variance due to vacancies.
2,826	3,086	3,325	(239)	-7.7%	15 FIN 503000	Medicare	37,941	40,114	35,787	4,327	10.8%	Favorable variance due to vacancies.
(253,705)	21,629	(253,966)	275,595	1274.2%	15 FIN 511000	Retirement	0	294,291	0	294,291	100.0%	Reclassified as a result of GASB 68 valuation report.
85,787		243,800	(243,800)	0.0%	15 FIN 511050	Pension Exp (Actuarial)	85,787	0	243,800	(243,800)	0.0%	Reclassified as a result of GASB 68 valuation report.
(87,905)		0	0	0.0%	15 FIN 511100	Pension Exp (Acctg)	(87,905)	0	0	0	0.0%	
(19,294)	(51,442)	42,884	(94,327)	183.4%	15 FIN 512000	Health Insurance	423,807	414,188	483,008	(68,820)	-16.6%	Expected \$95K CERBT reimbursement not realized.

Los Angeles County Law Library
Income Statement for the Period Ending June 30, 2016
(Provisional and subject to year-end audit adjustments)

Jun 15 Actual	Jun 2016				FY 2014-15 YTD Actual	FY 2015-16 YTD				Comments			
	Budget	Actual	\$ Fav (Unf)	% Fav (Unf)		Budget	Actual	\$ Fav (Unf)	% Fav (Unf)				
398	381	410	(30)	-7.8%	15 FIN	513000	Disability Insurance	5,079	4,570	4,928	(358)	-7.8%	
4,563	5,526	4,826	699	12.7%	15 FIN	514000	Dental Insurance	60,648	66,043	59,016	7,027	10.6%	Favorable variance due to vacancies.
563	631	587	44	6.9%	15 FIN	514500	Vision Insurance	7,322	7,537	6,963	574	7.6%	Favorable variance due to vacancies.
105	140	98	42	29.7%	15 FIN	515000	Life Insurance	1,076	1,680	996	684	40.7%	Favorable variance due to vacancies.
0	0	0	0	0.0%	15 FIN	515500	Vacancy Benefits Offset	0	0	0	0	0.0%	Already reflected in individual benefits line items.
8,734	7,860	(10,987)	18,847	239.8%	15 FIN	516000	Workers Compensation Insurance	87,747	107,808	82,462	25,346	23.5%	Favorable 2016-17 renewal premium rates effective March 2016.
0	0	0	0	0.0%	15 FIN	517000	Unemployment Insurance	(32)	0	(96)	96	0.0%	
3,199	0	0	0	0.0%	25 P&P	514010	Temporary Employment	21,339	2,000	1,916	84	4.2%	
445	0	79	(79)	0.0%	13 HR	514015	Recruitment	1,333	0	558	(558)	0.0%	
9,231	3,000	338	2,662	88.7%	15 FIN	517500	Accrued Sick Expense	9,231	3,000	338	2,662	88.7%	Liability capped at 5/31/2011 balances.
86,483	3,000	43,620	(40,620)	-1354.0%	15 FIN	518000	Accrued Vacation Expense	86,483	3,000	43,620	(40,620)	-1354.0%	Represents accrual expense at end of year.
(101,576)	17,161	(59,513)	76,674	446.8%	15 FIN	518500	OPEB Expense	153,074	205,928	129,257	76,671	37.2%	
3,372	1,250	4,265	(3,015)	-241.2%	15 FIN	518550	TMP	13,864	15,000	11,372	3,628	24.2%	Timing variance and reduction in usage of transportation reimbursement program.
863	1,250	821	429	34.3%	15 FIN	518560	Payroll and Benefit Administration	13,791	15,000	13,025	1,975	13.2%	
(47,918)	235,217	277,184	(41,968)	-17.8%			Total - Staff	3,741,753	4,062,859	3,838,897	223,962	5.5%	
							Library Materials/Electronic Resources Subscription:						
180,547	165,833	170,526	(4,693)	-2.8%	23 R&R	601999	American Continuations	2,179,152	1,990,000	1,560,426	429,574	21.6%	ERS accounting change. See GL Account 685000.
431	3,333	1,660	1,674	50.2%	23 R&R	602999	American New Orders	28,431	40,000	15,311	24,689	61.7%	Careful selection of new materials given budget uncertainties and cost of subsequent supplementation.
2,467	3,067	5,481	(2,414)	-78.7%	23 R&R	609199	Branch Continuations	35,849	36,800	48,283	(11,483)	-31.2%	Unanticipated cost increase due to publishers replacing volumes in lieu of supplementation.
15	75	0	75	100.0%	23 R&R	609299	Branch New Orders	499	1,081	0	1,081	100.0%	Expansion of print collection is not planned.
11,105	15,000	3,432	11,568	77.1%	23 R&R	603999	Commonwealth Continuations	251,944	180,000	140,309	39,691	22.1%	Strong jurisdictional commitment to online authenticated primary sources, collection review resulted in cancelling secondary titles with price increases significantly above inflation rates.
0	130	0	130	100.0%	23 R&R	604999	Commonwealth New Orders	87	1,560	0	1,560	100.0%	Careful selection of new materials; no new titles acquired
4,200	11,250	8,042	3,208	28.5%	23 R&R	605999	Foreign Continuations	195,562	135,000	167,962	(32,962)	-24.4%	Cancellations took longer to instate than anticipated, resulting in YTD unfavorable variance.
210	1,000	87	913	91.3%	23 R&R	606999	Foreign New Orders	1,350	12,000	670	11,330	94.4%	
5,094	6,667	8,250	(1,584)	-23.8%	23 R&R	607999	International Continuations	125,356	80,000	107,931	(27,931)	-34.9%	Cancellations took longer to instate than anticipated, resulting in YTD unfavorable variance.
330	333	40	293	87.9%	23 R&R	608999	International New Orders	3,239	4,000	158	3,842	96.1%	Careful selection of new materials
1,251	1,833	1,421	412	22.5%	23 R&R	609399	General/Librarianship Continuations	26,151	22,000	18,639	3,361	15.3%	ERS accounting change. See GL Account 685000.
53	100	16	84	84.1%	23 R&R	609499	General/Librarianship New Orders	270	1,200	197	1,003	83.6%	Careful selection of new materials
205,704	208,622	198,955	9,666	4.6%			Subtotal	2,847,890	2,503,641	2,059,885	443,756	17.7%	
(205,704)	(208,622)	(198,955)	(9,666)	4.6%	15 FIN	690000	Library Materials Transferred to Assets	(2,847,890)	(2,503,641)	(2,059,885)	(443,756)	17.7%	
565,017	0	82,153	(82,153)	0.0%	15 FIN	685000	Electronic Resource Subscriptions (ERS)	565,017	0	658,434	(658,434)	0.0%	To reflect changes in accounting treatment of subscription fees for electronic resources, this line item was added starting this FY per auditor's recommendation. Fund was originally budgeted across multiple funds earmarked for capital library materials purchases.
							Facilities:						
575	2,900	107	2,793	96.3%	39 FAC	801005	Repair & Maintenance	38,567	34,800	30,650	4,150	11.9%	Unexpected \$9K HVAC repair in July/timing variance.
237	2,050	1,297	753	36.7%	39 FAC	801010	Building Services	16,145	24,600	10,595	14,005	56.9%	Possible Outstanding Invoices
1,589	1,292	0	1,292	100.0%	39 FAC	801015	Cleaning Supplies	12,944	15,504	8,976	6,528	42.1%	Discontinued items from order list.
10,504	10,356	11,958	(1,602)	-15.5%	39 FAC	801020	Electricity & Water	119,333	124,272	118,429	5,843	4.7%	Increased usage due to higher temps.
966	0	966	(966)	0.0%	39 FAC	801025	Elevator Maintenance	12,889	0	11,592	(11,592)	0.0%	Delay of Elevator Upgrade Project.

Los Angeles County Law Library
Income Statement for the Period Ending June 30, 2016
(Provisional and subject to year-end audit adjustments)

Jun 15 Actual	Jun 2016				FY 2014-15 YTD Actual	FY 2015-16 YTD					Comments			
	Budget	Actual	\$ Fav (Unf)	% Fav (Unf)		Budget	Actual	\$ Fav (Unf)	% Fav (Unf)					
4,828	2,602	7,426	(4,824)	-185.4%	39	FAC	801030	Heating & Cooling	33,185	34,724	38,467	(3,743)	-10.8%	Increased A/C usage due to higher temps. / timing variance.
23,271	22,500	24,428	(1,928)	-8.6%	15	FIN	801035	Insurance	255,051	277,229	293,134	(15,905)	-5.7%	
8,674	8,755	8,674	81	0.9%	39	FAC	801040	Janitorial Services	104,840	105,060	104,090	970	0.9%	Decrease in power washing front hard-scape per city requirement.
1,050	1,200	1,250	(50)	-4.2%	39	FAC	801045	Landscaping	13,671	14,400	13,411	989	6.9%	New landscape company resulted in savings.
13,997	14,205	25,003	(10,798)	-76.0%	39	FAC	801050	Security	175,908	174,860	194,703	(19,843)	-11.3%	Cost overage offset by room rental income. See GL Account 330330.
0	1,750	303	1,447	82.7%	39	FAC	801060	Room Rental Expenses	34,234	21,000	27,536	(6,536)	-31.1%	Offset by Room Rental income. See GL account 330330.
1,392	938	360	578	61.6%	37	COM	801065	Special Events Expenses	13,677	11,496	9,933	1,563	13.6%	Delay in supply orders. Offset by Special Events income. See GL account 330465.
0	100	0	100	100.0%	39	FAC	801100	Furniture & Appliances (<3K)	598	1,200	300	900	75.0%	Less purchases this year than anticipated.
0	300	0	300	100.0%	39	FAC	801110	Equipment (<3K)	1,153	3,600	1,426	2,174	60.4%	Less purchases this year than anticipated.
0	140	0	140	100.0%	39	FAC	801115	Building Alterations (<3K)	0	1,680	0	1,680	100.0%	No building alterations FY 2015-16.
68	325	249	76	23.4%	35	CMS	801120	Delivery & Postage	4,280	4,150	5,931	(1,781)	-42.9%	Unbudgeted expense (\$2,135.21) incurred by Oct return shipment of rare books from Bonhams.
0	240	277	(37)	-15.3%	39	FAC	801125	Kitchen supplies	2,800	2,880	2,020	860	29.9%	Discontinued certain items resulting in cost reduction.
67,151	69,653	82,299	(12,645)	-18.2%				Subtotal	839,275	851,455	871,193	(19,738)	-2.3%	
								Technology:						
4,529	1,816	5,382	(3,566)	-196.3%	33	TECH	801210	Software Maintenance	19,327	18,128	26,568	(8,440)	-46.6%	Maintenance portion of Software Upgrade budgeted as Capital Expense but moved to this GL
(3,047)	1,491	1,236	255	17.1%	33	TECH	801212	Hardware Maintenance	11,145	18,252	14,166	4,086	22.4%	Some hardware removed from service resulting in cost reduction.
735	1,200	996	204	17.0%	33	TECH	801215	Software (<\$3k)	1,004	14,900	1,513	13,387	89.8%	Bulk purchases covered under Software Upgrade Capitol Project moved from this GL
474	1,200	0	1,200	100.0%	33	TECH	801220	Hardware (<\$3k)	2,613	4,800	3,790	1,010	21.0%	Sometimes delayed to next fiscal year 16-17
0	0	0	0	0.0%	33	TECH	801225	Computer Supplies	391	1,000	344	656	65.6%	Less supplies needed as we migrate to virtual stations
3,865	3,863	4,039	(176)	-4.5%	33	TECH	801230	Integrated Library System	45,400	46,356	47,443	(1,087)	-2.3%	
2,792	3,500	1,370	2,130	60.9%	33	TECH	801235	Telecommunications	30,445	39,200	28,156	11,044	28.2%	Some invoices yet to be posted.
0	0	0	0	0.0%	33	TECH	801245	Tech & Data - Misc	91	0	73	(73)	0.0%	
0	35,000	0	35,000	100.0%	33	TECH	801250	Services	1,355	35,000	2,451	32,549	93.0%	External service vendors not used FY15-16
9,348	48,070	13,023	35,047	72.9%				Subtotal	111,770	177,636	124,504	53,132	29.9%	
								General:						
696	700	522	178	25.5%	15	FIN	801310	Bank Charges	7,835	8,400	6,307	2,093	24.9%	
656	680	678	2	0.4%	35	CMS	801315	Bibliographical Services	7,878	9,170	9,122	48	0.5%	
0	0	0	0	0.0%	35	CMS	801320	Binding	0	0	0	0	0.0%	
34	90	75	15	16.7%	17	EXEC	801325	Board Expense	2,189	1,080	859	221	20.5%	
(132)	50	(262)	312	625.0%	37	COM	801330	Staff meals & events	1,710	2,115	1,639	476	22.5%	No further expenses forthcoming, frugal planning.
790	711	79	632	88.9%	15	FIN	801335	Supplies - Office	14,806	12,133	10,718	1,414	11.7%	
680	0	1,378	(1,378)	0.0%	35	CMS	801337	Supplies - Library materials	6,861	9,500	7,852	1,648	17.3%	
0	0	0	0	0.0%	37	COM	801340	Stationery, business cards, etc.	665	3,000	71	2,929	97.6%	Delay in planned business card expenses.
0	0	0	0	0.0%	25	P&P	801365	Grant Application Expenses	0	0	0	0	0.0%	
2,271	1,500	876	624	41.6%	27	CIRC	801370	Copy Center Expense	24,925	24,500	19,897	4,603	18.8%	
(284)	0	57	(57)	0.0%	15	FIN	801375	General - Misc	8,116	0	1,020	(1,020)	0.0%	
283	0	0	0	0.0%	23	R&R	801390	Course Registration	4,701	300	564	(264)	-88.0%	Offset by Course Registration revenue account. See GL 330340.
0	0	0	0	0.0%	17	EXEC	801395	Friends of Law Library	1,433	0	1,503	(1,503)	0.0%	
4,994	3,731	3,402	329	8.8%				Subtotal	81,118	70,198	59,551	10,647	15.2%	
								Professional Development:						
1,251	0	15	(15)	0.0%	ALL		803105	Travel	5,946	6,681	1,819	4,862	72.8%	Frugal planning and grant awards.
0	0	0	0	0.0%	ALL		803110	Meals	140	0	0	0	0.0%	
0	0	0	0	0.0%	ALL		803113	Incidental and miscellaneous	0	0	0	0	0.0%	
257	3,905	0	3,905	100.0%	ALL		803115	Membership dues	10,878	11,561	9,452	2,110	18.2%	Represents staff membership to AALL and other professional institutions.
(253)	0	0	0	0.0%	ALL		803120	Registration fees	3,547	4,315	1,678	2,637	61.1%	Frugal planning and grant awards.

Los Angeles County Law Library
Statement of Cash Flows
As of June 30, 2016
(Provisional and subject to year-end audit adjustments)

	6/30/2016	YTD
Cash flows from operating activities		
L.A. Superior court fees	571,480	6,604,626
Parking fees	63,312	715,481
Library services	64,759	426,501
(Increase) decrease in accounts receivable	(68,631)	24,372
Increase (decrease) in borrowers' deposit	1,013	1,156
Cash received from filing fees and services	631,933	7,772,136
Facilities	(82,299)	(871,193)
Technology	(13,023)	(124,504)
General	(3,402)	(59,551)
Professional development	(15)	(12,948)
Communications & marketing	-	(6,258)
Travel & entertainment	(225)	(2,481)
Professional services	(1,853)	(58,613)
Electronic Resource Subscriptions (ERS)	(82,153)	(658,434)
(Increase) decrease in prepaid expenses	34,472	(11,992)
Increase (decrease) in accounts payable	77,978	(12,714)
Increase (decrease) in other liabilities	-	(4,629)
Cash payments to suppliers for goods and services	(70,519)	(1,823,317)
Staff (payroll + benefits)	(277,184)	(3,838,897)
Increase (decrease) in payroll liabilities	(149)	23
Increase (decrease) in accrued sick and vacation liability	43,816	(9,272)
Increase (decrease) in OPEB liability	(59,513)	129,258
Net impact of GASB 68 adjustments	(34,365)	(34,365)
Net effect of prior period adjustments	-	-
Cash payments to employees for services	(327,395)	(3,753,253)
Contributions received	-	120,000
Net cash from operating activities	234,019	2,315,565
Cash flow from capital and related financing activities		
Library materials	(198,955)	(2,059,885)
Fixed assets	-	(15,354)
Capital - Work in Progress (WIP)	-	(3,000)
Cash flows from investing activities		
Investment earnings	3,477	23,546
Net cash increase (decrease) in cash and cash equivalents	38,540	260,872
Cash and cash equivalents, at beginning of period	3,831,203	3,608,871
Cash and cash equivalents, at end of period	3,869,743	3,869,743
Reconciliation of Operating Income to Net Cash from Operating Activities		
Operating income	(14,148)	(733,309)
Adjustments for noncash effects:		
Depreciation	253,546	2,967,037
Extraordinary expense: book write-off		
Changes in operating assets and liabilities:		
(Increase) decrease in accounts receivable	(68,631)	24,372
(Increase) decrease in prepaid expenses	34,472	(11,992)
Increase (decrease) in accounts payable	77,978	(12,714)
Increase (decrease) in other liabilities	-	(4,629)
Increase (decrease) in payroll liabilities	(149)	23
Increase (decrease) in accrued sick and vacation liability	43,816	(9,272)
Increase (decrease) in borrowers' deposit	1,013	1,156
Increase (decrease) in OPEB liability	(59,513)	129,258
Net impact of GASB 68 adjustments	(34,365)	(34,365)
Net cash from operating activities	234,019	2,315,565

LOS ANGELES COUNTY LAW LIBRARY
June 1, 2016 - June 30, 2016 (CHECKS)
Account No.: 108000

DATE	PAYEE	FOR	AMOUNT	CHECK NO.
June 1	GAUNT	BOOKS	133.90	029225
	LAW REPORTS INTERNATIONAL LTD	BOOKS	257.50	029226
	SOUTH COAST AIR QUALITY MANAGEMENT	BOOKS	83.80	029227
	WILLIAM S HEIN & CO	BOOKS	2,616.07	029228
June 3	LEXISNEXIS CANADA BUTTERWORTHS CANA	BOOKS	155.04	029229
	CASALINI LIBRI	BOOKS	512.40	029230
	GAVILANES BOOKS FROM INDOAMERICA	BOOKS	79.00	029231
	MANHATTAN PUBLISHING COMPANY	BOOKS	90.00	029232
June 8	CITY OF LA - BUILDING AND SAFETY	BUILDING SERVICES	257.58	029233
	CALIBER ELEVATOR	ELEVATOR MAINT	966.00	029234
	COUNTY OF LOS ANGELES	HEATING/COOLING	2,612.91	029235
	CHRISTINE R LANGTEAU	MILEAGE	47.95	029236
	METROLINK	TMP	777.00	029237
	MALINDA MULLER	MILEAGE	100.87	029238
	PACER SERVICE CENTER	DOC DEL	165.50	029239
	ROMERO MAINTENANCE CO.	JANITORIAL SVCS	8,674.17	029240
	STANLEY ACCESS TECH LLC	REPAIR & MAINTENA	242.00	029241
	ELIZABETH WARNER	MILEAGE	91.53	029242
June 15	SYNCB AMAZON	TECH & DATA MISC	72.63	029243
	JAMES ARNALL	SERVICE	180.00	029244
	AT&T	TELECOM	867.95	029245
	CARSWELL COMPANY LTD	BOOKS	99.25	029246
	KUBON & SAGNER	BOOKS	1,876.39	029247
	LUDWIG MAYER LTD	BOOKS	909.00	029248
June 17	ARASH ARJANG	REFUND	140.00	029249
	GABRIELA KREUTZER	REFUND	140.00	029250
	GEORGINA ROSAURA MARINA ROBLES	REFUND	140.00	029251
	LUDWIG MAYER LTD	BOOKS	48.50	029252
	ATLANTIC LAW BOOK COMPANY	BOOKS	164.20	029253
June 28	SYNCB AMAZON	SUPPLIES-LIBRARY	65.30	029254
	ESTHER EASTMAN	MILEAGE	27.14	029255
	GUARDIAN	PREPAID EXP	7,348.83	029256
	MANAGE EASE INCORPORATED	CONSULTING	1,365.00	029257
	SOURCE ONE OFFICE PRODUCTS, INC	COPY CENTER	150.61	029258
June 30	CARSWELL COMPANY LTD	BOOKS	126.60	029259
	LAW REPORTS INTERNATIONAL LTD	BOOKS	320.00	029260
	P L D PUBLISHERS	BOOKS	185.00	029261

32,089.62

LOS ANGELES COUNTY LAW LIBRARY

June 1, 2016 - June 30, 2016 (CHECKS)

Account No.: 102001

Page 1

DATE	PAYEE	FOR	AMOUNT	CHECK NO.
June 1	AMERICAN LEGAL PUBLISHING CORPORATI	BOOKS	26.63	V001310
	WOLTERS KLUWER LAW & BUSINESS	BOOKS	1,565.08	V001311
	BERNAN ASSOCIATES	BOOKS	233.00	V001312
	CONTINUING EDUCATION OF THE BAR CAL	BOOKS	3,134.31	V001313
	PROQUEST LLC COUTTS INFORMATION SER	BOOKS	870.63	V001314
	JOURNAL OF THE PATENT AND TRADEMARK	BOOKS	65.00	V001315
	JURIS PUBLISHING INC	BOOKS	316.80	V001316
	KANSAS JUDICIAL COUNCIL	BOOKS	85.00	V001317
	OXFORD UNIVERSITY PRESS	BOOKS	249.22	V001318
	PRACTISING LAW INSTITUTE	BOOKS	191.44	V001319
	UNITED NATIONS PUBLICATIONS	BOOKS	277.11	V001320
	THOMSON REUTERS	BOOKS	12,481.86	V001321
	YBP LIBRARY SERVICES	BOOKS	143.42	V001322
	FARONICS	SOFTWARE MAINT	2,296.00	V001377
June 3	AMERICAN BAR ASSOCIATION	BOOKS	1,100.10	V001323
	AMERICAN LEGAL PUBLISHING CORPORATI	BOOKS	287.00	V001324
	BERNAN ASSOCIATES	BOOKS	224.70	V001325
	BLOOMBERG BNA	BOOKS	209.61	V001326
	CALIFORNIA PUBLIC SECTOR	BOOKS	631.95	V001327
	CONTINUING EDUCATION OF THE BAR CAL	BOOKS	2,348.68	V001328
	JAMES PUBLISHING INC	BOOKS	168.00	V001329
	JURIS PUBLISHING INC	BOOKS	187.87	V001330
	ALM MEDIA LAW JOURNAL PRESS	BOOKS	1,765.87	V001331
	MUNICIPAL CODE CORPORATION	BOOKS	1,506.00	V001332
	PRACTISING LAW INSTITUTE	BOOKS	745.33	V001333
	SUPREME COURT HISTORICAL SOCIETY	BOOKS	100.00	V001334
	WEST ACADEMIC	BOOKS	46.87	V001335
	THOMSON REUTERS	BOOKS	60,593.38	V001336
	WILLIAM S HEIN & CO	BOOKS	444.52	V001337
	WYOMING STATE BAR	BOOKS	106.00	V001338
	AMERICAN ASSOCIATION OF LAW LIBRARI	REGISTRATION FEE	3,135.00	V001341
June 7	SMART LEVELS	SPECIAL EVENTS	185.76	V001344
	SMART & FINAL	KITCHEN SUPPLIES	45.79	V001378
June 8	OC LC INC	BIBLIOGRAPHICAL S	678.40	V001342
June 9	MARIA'S ITALIAN KITCHEN	ROOM RENTAL EXPE	304.24	V001345
June 10	STAMPS.COM	DELIVERY & POSTAG	24.99	V001416
June 14	AT&T MOBILITY	TELECOM	46.77	V001346
	BANDWIDTH.COM, INC.	TELECOM	598.20	V001347

97,420.53

LOS ANGELES COUNTY LAW LIBRARY

June 1, 2016 - June 30, 2016 (CHECKS)

Account No.: 102001

Page 2

DATE	PAYEE	FOR	AMOUNT	CHECK NO.	
June 15	EMPOWER SOFTWARE SOLUTIONS ** VOIDED *****	SOFTWARE MAINT	0.00	V001348	
	GLOBAL CAPACITY	TELECOM	378.50	V001349	
	GLOBAL CAPACITY	TELECOM	71.47	V001350	
	KONICA MINOLTA BUSINESS	COPY CENTER EXPE	977.56	V001352	
	SECURITAS SECURITY	SECURITY	26,132.76	V001353	
	UNITED PARCEL SERVICE	DELIVERY & POSTAG	39.43	V001354	
	GST	SOFTWARE MAINT	2,423.74	V001355	
	WOLTERS KLUWER LAW & BUSINESS	BOOKS	406.00	V001356	
	MATTHEW BENDER LEXISNEXIS MATTHEW B	BOOKS	266.62	V001357	
	BERNAN ASSOCIATES	BOOKS	76.00	V001358	
	BLOOMBERG BNA	BOOKS	245.22	V001359	
	CCH INCORPORATED	BOOKS	183.50	V001360	
	CONTINUING EDUCATION OF THE BAR CAL	BOOKS	2,917.29	V001361	
	LEXISNEXIS ONLINE SERVICES	BOOKS	14,000.00	V001362	
	INSTITUTE OF CONTINUING LEGAL EDUCA	BOOKS	153.50	V001363	
June 17	PRACTISING LAW INSTITUTE	BOOKS	1,037.86	V001364	
	WEST ACADEMIC	BOOKS	46.87	V001365	
	PRINT MANAGER	SOFTWARE	996.00	V001379	
	WOLTERS KLUWER LAW & BUSINESS	BOOKS	1,260.44	V001366	
	MATTHEW BENDER LEXISNEXIS MATTHEW B	BOOKS	174.56	V001367	
	BERNAN ASSOCIATES	BOOKS	76.00	V001368	
	CONTINUING EDUCATION OF THE BAR CAL	BOOKS	844.90	V001369	
	INFORMATION TODAY INC	BOOKS	404.05	V001370	
	JAMES PUBLISHING INC	BOOKS	898.00	V001371	
	LAWPRESS CORPORATION	BOOKS	507.40	V001372	
	PRACTISING LAW INSTITUTE	BOOKS	191.44	V001373	
	THOMSON REUTERS TAX & ACCOUNTING	BOOKS	330.84	V001374	
	THOMSON REUTERS	BOOKS	12,084.00	V001375	
	June 21	LA CAFE	BOARD EXPENSE	74.99	V001417
	June 22	MATTHEW BENDER LEXISNEXIS MATTHEW B	BOOKS	37,381.99	V001442
June 23	AMERICAN ASSOCIATION OF LAW LIBRARI	MEMEBERSHIP DUE	282.00	V001418	
BYTOPS	ADVERTISING	174.40	V001443		
June 28	AT&T MOBILITY	TELECOM	15.89	V001380	
	BRIGHTVIEW	LANDSCAPING	1,250.00	V001381	
	CDW GOVERNMENT INC	SOFTWARE MAINT	5,717.85	V001382	
	REPUBLIC SERVICES #902	BLDG SVCS	267.57	V001383	
	EX LIBRIS (USA) INC.	ILS	11,854.47	V001384	
	INFINISOURCE INC	PAYROLL/HR BENEFI	247.50	V001385	
	KONICA MINOLTA BUSINESS	COPY CENTER EXPE	24.20	V001386	

228,200.92

LOS ANGELES COUNTY LAW LIBRARY
June 1, 2016 - June 30, 2016 (CHECKS)
Account No.: 102001

DATE	PAYEE	FOR	AMOUNT	CHECK NO.
	STATE COMPENSATION INSURANCE FUND	WORKER'S COMP	6,365.58	V001387
	UNITED PARCEL SERVICE	DELIVERY & POSTAG	64.90	V001388
June 29	KAPCO	SUPPLIES-LIBRARY	842.05	V001419
June 30	ALM	BOOKS	822.05	V001389
	WOLTERS KLUWER LAW & BUSINESS	BOOKS	416.00	V001390
	BLOOMBERG BNA	BOOKS	345.23	V001391
	CAPITOL ENQUIRY	BOOKS	104.66	V001392
	CONTINUING EDUCATION OF THE BAR CAL	BOOKS	2,298.19	V001393
	ALM MEDIA LAW JOURNAL PRESS	BOOKS	467.59	V001394
	NEW JERSEY LAW JOURNAL	BOOKS	259.70	V001395
	PENNSYLVANIA BAR INSTITUTE	BOOKS	107.00	V001396
	PRACTISING LAW INSTITUTE	BOOKS	330.41	V001397
	PUBLIC UTILITIES REPORTS INC	BOOKS	134.00	V001398
	UNITED NATIONS PUBLICATIONS	BOOKS	220.19	V001399
	VIRGINIA CONTINUING LEGAL EDUCATION	BOOKS	120.00	V001400
	THOMSON REUTERS	BOOKS	2,048.28	V001401

236,781.17

LOS ANGELES COUNTY LAW LIBRARY
June 1, 2016 - June 30, 2016 (CHECKS)
Account No.: 102003

DATE	PAYEE	FOR	AMOUNT	CHECK NO.
June 15	L A DEPT WATER & POWER	ELECTRIC/FIRE	17,191.14	V000058

17,191.14

LOS ANGELES COUNTY LAW LIBRARY
June 1, 2016 - June 30, 2016 (CHECKS)
Account No.: 103000

DATE	PAYEE	FOR	AMOUNT	CHECK NO.
June 13	SEIU LOCAL 721 SEIU LOCAL 721	UNION DUES UNION DENTAL	780.69 40.44	001571 001572

821.13

LOS ANGELES COUNTY LAW LIBRARY
June 1, 2016 - June 30, 2016 (WARRANTS)
Account No.: 102000

DATE	PAYEE	FOR	AMOUNT	CHECK NO.
June 29	CALPERS	PREPAID EXP	52,313.29	TS00236848

52,313.29

301 West First Street
Los Angeles, CA 90012-3140
Telephone 213.785.2529
Fax 213.680.1727
www.lalawlibrary.org

BOARD OF TRUSTEES

September 10, 2016

Hon. Ann I. Jones
President

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Los Angeles Superior Court

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Los Angeles Superior Court

Susan Steinhauser, Esq.

Sandra J. Levin
Executive Director

Patrick Ogawa, Executive Officer
Board of Supervisors of the County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Mr. Ogawa:

Enclosed, please find the Annual Report of the Board of Law Library Trustees to the Board of Supervisors of the County of Los Angeles for the July 1, 2015 – June 30, 2016 Fiscal Year. The Board of Trustees wishes to assure the Board of Supervisors that the Los Angeles County Law Library stands ready to satisfy the Board’s legal information needs and those of its staff and constituents, as well as the needs of County departments.

The Board of Trustees also wishes to thank the County of Los Angeles for its assistance during the reported Fiscal Year.

Sincerely,

Sandra J. Levin
Executive Director and Secretary to the Board
of Law Library Trustees of Los Angeles County

Enclosure: (1) Annual Report to the Board of Supervisors (Fiscal year 2015-16)

Cc: John Naimo, Auditor-Controller

LALAWLIBRARY



TO THE HONORABLE BOARD OF SUPERVISORS
OF LOS ANGELES COUNTY, CALIFORNIA

The Board of Law Library Trustees of Los Angeles County presents to you its Annual Report for the Fiscal Year ending June 30, 2016.

The Board is composed of the following members:

Hon. Ann I. Jones <i>President</i>	- Judge of the Superior Court
---------------------------------------	-------------------------------

Hon. Mark A. Juhas <i>Vice-President</i>	- Judge of the Superior Court
---	-------------------------------

Hon. Michelle W. Court	- Judge of the Superior Court
Hon. Dennis J. Landin	- Judge of the Superior Court
Kenneth D. Klein	- Attorney at Law
Hon. Richard E. Rico	- Judge of the Superior Court
Susan Steinhauser	- Attorney at Law

The Board is staffed by:

Sandra J. Levin	- Executive Director & Secretary to the Board
-----------------	--

ANNUAL FINANCIAL STATEMENT
of the
Secretary of the Board of Law Library Trustees
of
Los Angeles County

Sandra J. Levin, Secretary to the Board of Law Library Trustees of Los Angeles County, pursuant to Section 6350 of the Business and Professions Code, presents to the Honorable Board, an Annual Financial Statement, as Secretary of said Law Library Board, for the Fiscal Year ending on the 30th day of June, 2016.



LOS ANGELES COUNTY LAW LIBRARY

Balance Sheet as of June 30, 2016
(Provisional and subject to year-end adjustments)

	2016	2015
Assets		
Current Assets		
Cash and cash equivalents	3,550,885	3,305,891
Accounts receivable	1,312,265	1,336,578
Prepaid expenses	251,153	239,161
Total current assets	5,114,303	4,881,630
Noncurrent assets		
Restricted cash and cash equivalents	318,470	302,980
Investments	4,115,956	4,037,519
Capital assets, not being depreciated	586,433	583,433
Capital assets, being depreciated - net	19,002,443	19,894,170
Total noncurrent assets	24,023,301	24,818,102
Total assets	29,137,604	29,699,731
Deferred Outflow of Resources		
Deferred outflow of resources	907,530	403,501
Total assets and deferred outflows of resources	30,045,135	30,103,232
Liabilities		
Current Liabilities		
Accounts payable	206,320	219,034
Other liabilities	3,631	8,260
Payroll liabilities	14,038	14,015
Total current liabilities	223,990	241,310
Noncurrent liabilities		
Accrued sick and vacation liability	359,980	369,252
Borrowers' deposit	327,949	326,794
OPEB liability	81,954	(47,304)
Net pension liability	1,233,873	(169,785)
Total noncurrent liabilities	2,003,756	478,956
Total liabilities	720,266	720,266



Deferred inflows of resources

	895,773	1,829,778
Deferred inflows of resources		
	<hr/>	<hr/>
Total liabilities and deferred inflows of resources	3,123,519	2,550,044
	<hr/>	<hr/>

Net position

Invested in capital assets	19,588,876	20,477,603
Unrestricted	7,332,740	7,075,585
	<hr/>	<hr/>
Total net position	26,921,616	27,553,188
	<hr/>	<hr/>
Total liabilities and deferred inflows of resources and net position	30,045,135	30,103,232



LOS ANGELES COUNTY LAW LIBRARY
Income Statement for the Period Ending June 30, 2016
(Provisional and subject to year-end audit adjustments)

	2016	2015
Income		
L.A. Superior Court Fees	6,604,626	6,336,433
Interest	23,546	20,231
Parking	715,481	668,472
Library Services	546,751	523,697
Total Income	7,890,403	7,548,833
Expense		
Staff	3,838,897	3,741,753
Electronic Resource Subscriptions (ERS)	658,434	565,017
Library Materials	2,059,958	2,847,890
Library Materials Transferred to Assets	(2,059,958)	(2,847,890)
Facilities	865,792	839,275
Technology	124,504	111,770
General	65,428	81,118
Professional Development	12,948	20,775
Communications & Marketing	6,258	2,561
Travel & Entertainment	2,481	1,859
Professional Services	58,613	50,345
Depreciation	2,967,038	2,844,276
Total Expenses	8,600,394	8,258,749
Net Income	(709,991)	(709,916)
Investment Gain (Loss)	78,437	40,081
Extraordinary Income	0	16,582
Extraordinary Expense	0	0
Net Income Including Extraordinary Items	(631,553)	(653,647)
Capitalized Expenditures	15,354	48,739



LOS ANGELES COUNTY LAW LIBRARY
Statement of Cash Flows as of June 30, 2016
(Provisional and subject to year-end audit adjustments)

	2016
Cash flows from operating activities	
LA Superior court fees	6,604,626
Parking fees	715,481
Library services	426,751
(Increase) decrease in accounts receivable	24,285
Increase (decrease) in borrowers' deposit	1,156
Cash received from filing fees and services	7,772,298
Facilities	(865,792)
Technology	(124,504)
General	(65,428)
Professional development	(12,948)
Communications & marketing	(6,258)
Travel & entertainment	(2,481)
Professional services	(58,613)
Electronic Resource Subscriptions (ERS)	(658,434)
(Increase) decrease in prepaid expenses	(11,992)
Increase (decrease) in accounts payable	(12,714)
Increase (decrease) in other liabilities	(4,629)
Cash payments to suppliers for goods and services	(1,823,794)
Staff	(3,838,897)
Increase (decrease) in payroll liabilities	23
Increase (decrease) in accrued sick and vacation liability	(9,272)
Increase (decrease) in OPEB liability	129,258
Net impact of GASB 68 adjustments	(34,365)
	(3,753,253)
Cash payments to employees for services	
	120,000
Contributions received	120,000
	2,315,250
Net cash from operating activities	
Cash flow from capital and related financing activities	
Library materials	(2,059,958)
Fixed assets	(15,354)
Capital - Work in Progress (WIP)	(3,000)
Cash flows from investing activities	
Investment earnings	23,546
	260,484
Net cash increase (decrease) in cash and cash equivalents	
Cash and cash equivalents, at beginning of period	3,608,871



Cash and cash equivalents, at end of period

3,869,355

LALAWLIBRARY



LOS ANGELES COUNTY LAW LIBRARY

Statement of Cash Flows as of June 30, 2015 (Continued)
(Provisional and subject to year-end audit adjustments)

	2015
Reconciliation of Operating Income to Net Cash from Operating Activities	
	(733,537)
Operating income	
Adjustments for noncash effects:	2,967,038
Depreciation	
Extraordinary expense: book write-off	
Changes in operating assets and liabilities:	
(Increase) decrease in accounts receivable	24,285
(Increase) decrease in prepaid expenses	(11,992)
Increase (decrease) in accounts payable	(12,714)
Increase (decrease) in other liabilities	(4,629)
Increase (decrease) in payroll liabilities	23
Increase (decrease) in accrued sick and vacation liability	(9,272)
Increase (decrease) in borrowers' deposit	1,156
Increase (decrease) in OPEB liability	129,258
Impact of GASB 68 adjustments	(34,365)
Net cash from operating activities	<u><u>2,315,250</u></u>



INTRODUCTORY INFORMATION

For 125 years the Los Angeles County Law Library (“LA Law Library”) has served the Los Angeles County government, legal and business communities and the general public, including self-represented litigants.

Today, LA Law Library has become:

- The largest public Law Library in the United States other than the Law Library of Congress;
- A vibrant community education center, offering classes for attorneys, paralegals, librarians and the public;
- The curator and cultivator of nearly one million volume equivalents -- including one of the nation’s most comprehensive global law collections covering more than 200 countries;
- A navigator facilitating access to the legal system for those who do not have or cannot afford legal representation; and
- A leader in providing public access to legal knowledge.

LA Law Library is a global leader in providing state-of-the-art legal research combined with nearly one million volume equivalents of primary and practice materials, including Federal and State resources, a comprehensive California law collection and one of the nation’s largest Global Law collections with nearly 300,000 volumes of foreign, international and comparative law.

LA Law Library serves more than 50 thousand patrons annually, locally, nationally and globally, and the number continues to grow daily as new programs and workshops are developed with the assistance of the Library’s many partners and donors.



LOCATIONS AND HOURS

The Main Law Library is located in the Mildred L. Lillie Building at First & Hill, 301 West First Street, Los Angeles, California, across the street from the Stanley Mosk Courthouse of the Los Angeles Superior Court. The Main Library includes approximately 175,000 square feet and 35 miles of shelving. The Main Library's regular hours are Monday, 8:30 a.m. until 6:00 p.m., Tuesday, 8:30 a.m. until 8:00 p.m., Wednesday through Friday 8:30 a.m. until 6:00 p.m.; and from 9:00 a.m. to 5:00 p.m. on Saturday.

The Law Library also has nine other locations throughout the County. A few of these locations have a solely electronic presence, called an eBranch, which is a walk-up computer-based, interactive research experience. eBranch users can contact LA Law Reference Librarians remotely via chat service, or during on-site office hours. The branch and partnership locations can be found in:

Four courthouse branch locations:

- Long Beach and Torrance (eBranch and staff)
- Norwalk and Pomona (eBranch only)

Five partnership locations:

- Los Angeles Public Library in Van Nuys
- Los Angeles County Public Libraries in Compton and Lancaster
- Pasadena Public Library
- The attorney lounge at the Los Angeles County Bar Association

At most branch and partnership locations, office hours and law librarian assistance are provided for four hours each week and classes are taught monthly.



PROGRAMS AND SERVICES

Reference Assistance: The Law Library provides reference and research assistance at the reference desk, by phone, mail, email and live web-chat. These services are available at no charge to any and all users of the library, including attorneys, legal professionals, students and the general public.

Support Services: The Law Library makes available free public computers and Wi-Fi, as well as copiers, printers, typewriters, office supplies, faxing service, document delivery and e-delivery for a small fee.

Classes and Programs: The reference staff teaches regular legal research classes to the public including classes on searching Lexis Advance and Thomson Reuters Westlaw, research using print sources, utilizing free legal internet sites, locating forms, and many more. The Law Library, supported by many partners within the legal community, also provides law-related informational and clinical classes and workshops for its diverse patron groups:

For Attorneys and Paralegals: Continuing Legal Education classes, including:

- Basic Research; Advanced Research; Ethics; Substance Abuse; Elimination of Bias; Specialty Courses

For Self-Represented Individuals: workshops, clinics and programs, including:

- Weekly: Talk to a Lawyer Online (videoconferencing with Legal Aid Foundation of Los Angeles); adult's legal conservatorship clinic
- Bi-weekly: Civil Lawsuit Basics (main and branch locations)
- Monthly: legal research online; name change workshop; expungement clinic; divorce options workshop (main and branch locations); family law trial preparation; Lawyers in the Library (free consultations with volunteer lawyers); Occasional Series and Sessions: Landlord & Tenant Series:



Rights, Responsibilities, Fair Housing and Section 8; Small Claims 101

- Quicklook legal research classes and librarian office hours offered in branch and community public library locations

For Business People and Entrepreneurs: classes and workshops, including:

- Starting & Growing a Business: Legal & Financial Knowledge You Need to Succeed (14-part biannual series) in partnership with L.A. County Department of Consumer & Business Affairs, L.A. Ports TradeConnect, the L.A. Mayor's Office of Economic Development, and the L.A. Area Chamber of Commerce Bixel Exchange
- How to Form a Corporation/Non-Profit
- Landlord-Tenant Rights and Responsibilities

For Members of the Public and Legal Community: free community events, aimed at promoting legal research and equal access to justice throughout Los Angeles County:

- Law Week in May
- Pro Bono Week in October

Fiscal Year 2015-16 saw the greatest number of MCLE classes ever held at LA Law Library, the most diverse and well-attended events and many of new, successful partnerships with service providers throughout the County.

Members Program: The Law Library also provides a Members Program, which is an affordable fee-for-service program that provides a quiet work and meeting space adjacent to the downtown courthouses, unlimited access to the law collection and legal databases on-site, off-site access to certain databases, discounts on services, parking and priority reference service. The Members Program was successfully revamped to give members greater flexibility in choosing benefits, and improve the cost efficiency of the program. A more affordable option was created—and is the most popular to date—providing new



lawyers with many of the basic services one needs when “hanging out a new law office shingle.” The program provides affordable support to attorneys, especially newer members of the bar, who are engaged in offering new and innovative representation models for litigants who might otherwise be unable to afford legal help.

Room Rentals: The Law Library rents private office space, conference rooms, classroom or Training Center and larger Reading Room for meetings and special events.

Tours: Library staff also gives library orientations and stack tours to outside groups including bar associations, paralegal and law-related student groups and academic institutions. The Law Library also hosted field trips from several local high schools, leading students on explorations of the library’s resources, holding panel discussions on legal issues relevant to teens, and hosting career talks where students got the chance to learn about different career paths available to them in the legal field.

Special Projects: LA Law Library has received grant from Cal Humanities, a non-profit partner of the National Endowment for the Humanities to create a first-of-its-kind oral history project entitled “Opening the Door: Personal Stories of Groundbreaking Los Angeles Lawyers and Judges.” Personal stories will be gathered through videotaped interviews, which will be professionally edited and compiled into a short educational film. LA Law Library is partnering with LAEP (Los Angeles Education Partnership), a non-profit organization dedicated to providing career and college readiness for students living in low-income communities. The film and ancillary programs will become a public resource and be used in local, at-risk schools to inspire students to reach for their dreams despite the barriers they too may face.



LIBRARY USAGE

The Law Library is open to all members of the public, and use of the library materials including the computers and legal databases is free. A library card is needed to access the computers (2 hour limit per day) and to borrow books. Borrowing requires a refundable security deposit.

At the end of Fiscal Year 2015-16, there were 1,682 persons registered as individual borrowers, including 1,153 attorneys. In addition, 206 law firm and business borrowers have identified 1,154 designated borrowers, including attorneys, librarians and messenger services. There are 353 judicial borrowers, and 378 government borrowers. At the end of Fiscal Year 2015-16 the Library also served 12,291 library cardholders without borrowing privileges.

During Fiscal Year 2015-16, LA Law Library Reference staff fielded 31,684 requests for information, 21,391 of which were received at the Reference Desk. 6,871 requests were received by phone; 2,814 were email or live-chat; and 238 were letter requests, generally from the incarcerated. There were also 1,022 requests for Foreign & International information, 442 of which were web based. Main branch staff also fielded 188 requests for service from eBranches which were received by chat or email. The questions came from a diverse group of users that includes self-represented litigants, attorneys, paralegals, judges, students and the general public.

The circulation department is closely aligned with reference. The staff issues library cards, checks books in and out, responds to requests for computer sign-ups, places books on reserve and hold, handles questions about overdue fines and pages materials as needed from the library's closed stack areas. In Fiscal Year 2015-16, 25,585 in-person requests were handled by Circulation, 17,441 were at the desk and 8,144 of which were telephone requests. A total of 2,767 books were placed on hold per patron requests and 12,287 volumes were circulated.



In response to requests for materials and information, LA Law Library provides document delivery and e-delivery services. 879 such requests were received in Fiscal Year 2015-16. The LA Law Library Copy Center responded to 12,242 requests and produced more than 346,000 photocopies.

LA Law Library's web site (www.lalawlibrary.org) was visited by more than 92,000 visitors in Fiscal Year 2015-16. The average number of daily visits was 252 with an average visit duration of 3:50 minutes. 97.59% of the visitors were from the United States; 2.41% of the visitors were from other countries.

The LA Law Library subscribes to 21 online legal databases. These databases, including Lexis, Westlaw, and most recently Lexis Advance, are available free of charge at 22 public terminals located in the main library. One notable database is the Legal Information Reference Center. It contains the full text of many of the Nolo Press self-help legal publications and is freely available to all residents of the County. The Law Library is a Wi-Fi ready facility with 20 multiplex table outlets throughout the reading room that enable library users to access the Law Library's website, as well as their own programs and documents through personal computers.



COLLECTION / ACQUISITIONS

Print Materials: During Fiscal Year 2015-16, the Main Library added 5,377 volumes; the Branch and Partnership locations added 156 volumes. During the same period, the library withdrew 3,559 volumes and media from the Main Library and 48 volumes from the Branch locations. At the end of Fiscal Year 2015-16, the total number of print volumes in the LA Law Library collection was 666,733. The Main Library held 664,238; the Branch locations held 2,535.

Non-print Materials: During Fiscal Year 2015-16, the main Library added 382 computer discs, 24 audio discs, and 5 video/DVDs. Additionally, the Law Library added 4 rolls of microfilm and 17,241 microfiche to the collection. At the end of the Fiscal Year 2015-16, the Library held 8,200 reels of microfilm, 1,398,345 microfiche, 1,283 computer discs, 247 audio discs, and 98 video/DVDs. The Branch locations do not maintain non-print collections.

Volume Equivalents: The volume equivalent of non-print materials is approximately 304,269 volumes. The grand total of volumes and volume equivalents in the LA Law Library collection is 978,281 volumes representing 196,187 titles.

FUNDING

The majority of the Law Library's services are free of charge, including in-person access to the highly valuable collection, reference assistance and borrowing. Many other services, such as copying and book delivery are provided at cost.

County Law Libraries are funded by a formula established by the Legislature which allocates a small portion of the fees generated from initial civil filings in each county to that county's Law Library. Due to a significant decline in the number of filings and an increase in the number of fee waivers statewide, these



funds have decreased precipitously in the past 6 years. LA Law Library specifically has experienced a decline in civil filing fee revenue of more than \$3 million per year (nearly 40% of its overall revenue). LA Law Library continues to try to develop additional revenue sources including fees for extraordinary library services (such as electronic delivery, room rentals, etc.), programs (such as MCLE classes) and parking in the court-adjacent structure.

GIFTS

During Fiscal Year 2015-16, although many offers were given, due to duplication, the LA Law Library did not accept any gifts of legal materials, except for those enumerated here. Justice Richard M. Mosk donated “The Role of Facts in International Dispute Resolution” and “Iran-United States Claims Tribunal a Diary by Richard M. Mosk”. Library had additional donations from various Law firms. NOSSAMAN LLP donated “Troubled Projects: Workout Techniques and Litigation Strategies”, “Attorney Opinions Letters, Construction Defects Litigation: Hot Topics 2005” and “Construction Law Contract & Disputes” in 2 volumes. Morgan Lewis donated “Contests for Corporate Control 2005 : Current Offensive & Defensive Strategies in M & A Transactions”, “Preparation of Annual Disclosure Documents 2005”, “Mergers & Acquisitions in the Financial Services Industry, Understanding the New Hedge Fund Rule”, “Bridge the Gap : Basic Skills for Newly Admitted Attorneys 2008” and “38th Annual Institute on Employment Law”. In addition the Friends of the Los Angeles County Law Library donated \$120,000 in Fiscal Year 2015-16.

Respectfully submitted,

Sandra J. Levin, Executive Director & Secretary
Board of Law Library Trustees



ACKNOWLEDGEMENT

(SEAL)

By order of the Board of
Law Library Trustees of
Los Angeles County

Los Angeles, California

The Los Angeles County Law Library Board of Trustees desires to acknowledge the support and assistance given to the Law Library by the Los Angeles County Board of Supervisors during the past year.

Respectfully submitted,

President of the Board of Law Library Trustees

Secretary of the Board of Law Library Trustees

LALAWLIBRARY



MEMORANDUM

DATE: August 24, 2016

TO: Board of Law Library Trustees

FROM: Marcelino Juarez, Finance Manager

VIA: Sandra J. Levin, Executive Director

RE: Approval of Vasquez & Company LLP Engagement Letter to Audit the Law Library's Financial Statements for FY2015-16

SUMMARY

Staff recommends the Board approve Vasquez & Company LLP's engagement letter to audit the Law Library's financial statements for the fiscal year ended 6/30/16 and accept the auditor's required communication, SAS 114 letter.

ANALYSIS AND DETAIL

On June 24, 2015 and following an RFP process the Board selected Vasquez & Company LLP as its financial auditor starting with fiscal year ending June 30, 2015. The RFP called for and Vasquez & Company LLP responded with fee proposals for fiscal years 2015-2016 and 2016-2017. Vasquez and Company LLP has proposed terms and conditions to audit the Law Library's financial statements for the fiscal year 2015-2016 (see attached). Except for the dates and fee amount, the body of the proposed letter is identical to last year's letter.

As previously proposed in their response to our RFP, Vasquez & Company LLP is proposing a fixed fee of \$16,763 for the fiscal year 2015-2016 financial audit. Pursuant to the Library's Governance Resolution, the Board must ratify the engagement and will be responsible for approving the audit report that results. Should the Board adopt Staff's recommendation; the audit field work will be scheduled to begin on the week of August 29th. The audit report is expected to be presented to the Board at its October 2016 meeting.

In addition, and prior to the audit field work, staff also requests the Board accept the auditor's required communication, SAS 114 letter (see attached).

RECOMMENDATION

Staff recommends that the Board approve the attached engagement letter and accept the auditor's required communication, SAS 114 letter.



July 14, 2016

Ms. Sandra J. Levin
Executive Director
Los Angeles County Law Library
301 West First Street
Los Angeles, CA 90012-3100

The Objective and Scope of the Audit of the Financial Statements

You have requested that we audit the financial statements of Los Angeles County Law Library (Law Library) which comprise the statement of net position as of June 30, 2016 and the related statements of revenues, expenses and changes in net position, and cash flows for the year then ended, and the related notes to the financial statements.

Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as Management's Discussion and Analysis (MD&A), to supplement the Law Library's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the Law Library's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

- 1) Management's Discussion and Analysis (MD&A)
- 2) OPEB Schedule of Funding Progress
- 3) Schedule of Proportionate Share of the Net Pension Liability
- 4) Schedule of Contributions

We are pleased to confirm our acceptance and our understanding of this audit engagement by means of this letter.

Our audit will be conducted with the objective of our expressing an opinion on the financial statements.

The Responsibilities of the Auditor

We will conduct our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and Government Auditing Standards issued by the Comptroller General of the United States (GAS). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the



risks of material misstatement of the financial statements, whether due to fraud or error. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

Because of the inherent limitations of an audit, together with the inherent limitations of internal control, an unavoidable risk that some material misstatements may not be detected exists, even though the audit is properly planned and performed in accordance with GAAS. Also, an audit is not designed to detect errors or fraud that are immaterial to the financial statements. The determination of abuse is subjective; therefore, GAS do not expect us to provide reasonable assurance of detecting abuse.

In making our risk assessments, we consider internal control relevant to the Law Library's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. However, we will communicate to you in writing concerning any significant deficiencies or material weaknesses in internal control relevant to the audit of the financial statements that we have identified during the audit.

We will also communicate to the governing board (a) any fraud involving senior management and fraud (whether caused by senior management or other employees) that causes a material misstatement of the financial statements that becomes known to us during the audit, and (b) any instances of noncompliance with laws and regulations that we become aware of during the audit (unless they are clearly inconsequential).

Our report on internal control will include any significant deficiencies and material weaknesses in controls of which we become aware as a result of obtaining an understanding of internal control and performing tests of internal control consistent with requirements of the standards and circulars identified above. Our report on compliance matters will address material errors, fraud, abuse, violations of compliance obligations, and other responsibilities imposed by state and federal statutes and regulations or assumed by contracts, and any state or federal grant, entitlement, or loan program questioned costs of which we become aware, consistent with requirements of the standards and circulars identified above.

The Responsibilities of Management and Identification of the Applicable Financial Reporting Framework

Our audit will be conducted on the basis that management and when appropriate, those charged with governance, acknowledge and understand that they have responsibility:

1. For the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America;
2. To evaluate subsequent events through the date the financial statements are issued or available to be issued and to disclose the date through which subsequent events were evaluated in the financial statements. Management also agrees that they will not evaluate subsequent events earlier than the date of the management representation letter referred to below;
3. For the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error;
4. For establishing and maintaining effective internal control over financial reporting and for informing us of all significant deficiencies and material weaknesses in the design or operation of such controls of which it has knowledge;



5. For (a) making us aware of significant vendor relationships where the vendor is responsible for program compliance, (b) following up and taking corrective action on audit findings, including the preparation of a summary schedule of prior audit findings, and a corrective action plan, and (c) report distribution including submitting the reporting package(s); and
6. To provide us with:
 - a. Access to all information of which management is aware that is relevant to the preparation and fair presentation of the financial statements such as records, documentation, and other matters;
 - b. Additional information that we may request from management for the purpose of the audit;
 - c. Unrestricted access to persons within the entity from whom we determine it necessary to obtain audit evidence;
 - d. If applicable, responses to any findings previously reported.

As part of our audit process, we will request from management and when appropriate, those charged with governance, written confirmation concerning representations made to us in connection with the audit including among other items:

1. That management has fulfilled its responsibilities as set out in the terms of this letter; and
2. That it believes the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

Management is responsible for identifying and ensuring that the Law Library complies with the laws and regulations applicable to its activities, and for informing us about all known material violations of such laws or regulations. In addition, management is responsible for the design and implementation of programs and controls to prevent and detect fraud or abuse, and for informing us about all known or suspected fraud or abuse affecting the entity involving management, employees who have significant roles in internal control, and others where the fraud or abuse could have a material effect on the financial statements or compliance. Management is also responsible for informing us of its knowledge of any allegations of fraud or abuse or suspected fraud or abuse affecting the entity received in communications from employees, former employees, analysts, regulators, or others.

Management is responsible for the preparation of the required supplementary information (RSI) presented in relation to the financial statements as a whole in accordance with accounting principles generally accepted in the United States of America. Management agrees to include the auditors' report on the RSI in any document that contains the supplementary information and that indicates that the auditor has reported on such RSI. Management also agrees to present the supplementary information with the audited financial statements or, if the supplementary information will not be presented with audited financial statements, to make the audited financial statements readily available to the intended users of the supplementary information no later than the date of issuance of the supplementary information and the auditors' report thereon.

The Governing Board is responsible for informing us of its views about the risks of fraud or abuse within the entity, and its knowledge of any fraud or abuse or suspected fraud or abuse affecting the entity.

The Law Library agrees that it will not associate us with any public or private securities offering without first obtaining our consent. Therefore, the Law Library agrees to contact us before it includes our reports or otherwise makes reference to us, in any public or private securities offering.

Our association with an official statement is a matter for which separate arrangements will be necessary. The Law Library agrees to provide us with printer's proofs or masters of such offering documents for our review and approval before printing and with a copy of the final reproduced material for our approval before it is distributed. In the event our auditor/client relationship has been terminated when the Law Library seeks such consent, we will be under no obligation to grant such consent or approval.



We agree that our association with any proposed offering is not necessary, providing the Law Library agrees to clearly indicate that we are not associated with the contents of any such official statement or memorandum. The Law Library agrees that the following disclosure will be prominently displayed in any such official statement or memorandum:

Vasquez & Company LLP, our independent auditor, has not been engaged to perform, and has not performed, since the date of its report included herein, any procedures on the financial statements addressed in that report. Vasquez & Company LLP also has not performed any procedures relating to this official statement.

Because Vasquez & Company LLP (Vasquez) will rely on the Law Library and its management and Governing Board to discharge the foregoing responsibilities, the Law Library holds harmless and releases Vasquez and its partners and employees from all claims, liabilities, losses, and costs arising in circumstances where there has been a knowing misrepresentation by a member of the Law Library's management which has caused, in any respect, Vasquez' breach of contract or negligence. This provision shall survive the termination of this arrangement for services.

E-mail Communication

In connection with this engagement, we may communicate with you or others via e-mail transmission. As e-mails may be intercepted and read, disclosed, or otherwise used or communicated by an unintended third party, or may not be delivered to each of the parties to whom they are directed and only to such parties, we cannot guarantee or warrant that e-mails from us will be properly delivered and read only by the addressee. Therefore, we specifically disclaim and waive any liability or responsibility whatsoever for interception or unintentional disclosure or communication of e-mail transmissions, or for the unauthorized use or failed delivery of e-mails transmitted by us in connection with the performance of this engagement.

In that regard, you agree that we shall have no liability for any loss or damage to any person or entity resulting from the use of e-mail transmissions, including any consequential, incidental, direct, indirect, or special damages, such as loss of revenues or anticipated profits, or disclosure or communication of confidential or proprietary information.

Records and Assistance

If circumstances arise relating to the condition of the Law Library's records, the availability of appropriate audit evidence, or indications of a significant risk of material misstatement of the financial statements because of error, fraudulent financial reporting, or misappropriation of assets, which in our professional judgment, prevent us from completing the audit or forming an opinion, we retain the unilateral right to take any course of action permitted by professional standards, including declining to express an opinion, issue a report, or withdraw from the engagement.

During the course of our engagement, we may accumulate records containing data that should be reflected in the Law Library's books and records. The Law Library will determine that all such data, if necessary, will be so reflected. Accordingly, the Law Library will not expect us to maintain copies of such records in our possession. The assistance to be supplied by Law Library personnel, including the preparation of schedules and analyses of accounts, will be discussed and coordinated with Ms. Sandra J. Levin, Executive Director. The timely and accurate completion of this work is an essential condition to our completion of the audit and issuance of our audit report.

In connection with our audit, you have requested us to perform certain non-audit services necessary for the preparation of the financial statements (such as drafting the financial statements). The GAS independence standards require that the auditor maintain independence so that opinions, findings, conclusions, judgments, and recommendations will be impartial and viewed as impartial by reasonable and informed third parties. Before we agree to provide a nonaudit service to the Law Library, we determine whether providing such a service would create a significant threat to our independence for



GAS audit purposes, either by itself or in aggregate with other nonaudit services provided. A critical component of our determination is consideration of management's ability to effectively oversee the nonaudit service to be performed. The Law Library has agreed that Sandra J. Levin possesses suitable skill, knowledge, or experience and that the individual understands the services to be performed sufficiently to oversee them. Accordingly, the management of the Law Library agrees to the following:

1. The Law Library has designated Sandra J. Levin, Executive Director, a senior member of management, who possesses suitable skill, knowledge, and experience to oversee the services.
2. Sandra J. Levin, Executive Director will assume all management responsibilities for subject matter and scope of the preparation and assembly of the financial statements.
3. The Law Library will evaluate the adequacy and results of the services performed.
4. The Law Library accepts responsibility for the results and ultimate use of the services.

GAS further requires we establish an understanding with the management [and those charged with governance of the Law Library of the objectives of the nonaudit service, the services to be performed, the entity's acceptance of its responsibilities, the auditor's responsibilities, and any limitations of the nonaudit service. We believe this letter documents that understanding.

Other Relevant Information

RSM US LLP will be available to support Vasquez by rendering services related to the performance of the engagement. If a situation occurs in connection with the proposed engagement for which we would request the services of RSM US LLP, we will notify you and obtain permission from you before giving access to your records. We maintain supervision, control and ultimate responsibility for the performance of this engagement.

Vasquez is independently owned and operated and assumes full responsibility for the quality of service delivered to our clients. We are responsible for our own client fee arrangements and maintenance of our client relationships.

Vasquez may mention the Law Library's name and provide a general description of the engagement in Vasquez' client lists and marketing materials.

From time to time and depending upon the circumstances, we may use third-party service providers (including persons or entities outside the United States) to assist us in providing professional services to you. In such circumstances, it may be necessary for us to disclose confidential client information to them. We enter into confidentiality agreements with all third-party service providers and we are satisfied that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others.

Section 5063(b)(1) of the California Accountancy Act requires us to report to the California Board of Accountancy, within 30 days of the date that we have knowledge of any restatement of a financial statement and related disclosures by an audit client.

Ownership of Audit Documentation

The audit documentation for this engagement is the property of Vasquez constitutes confidential information. However, pursuant to authority given by law or regulation, we may be requested to make certain audit documentation available to a regulatory body. Other third parties may also request or subpoena our audit documentation. We will notify you of any such request or subpoena. If requested, access to such audit documentation will be provided under the supervision of Vasquez personnel. Further, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies. Before we provide access to or copies of such workpapers, unless prohibited by law, we will notify the Law Library's management and provide copies of



such request to allow the Law Library to take any action it deems necessary or appropriate to limit or prevent access to such workpapers.

In the event that we are requested by the Law Library to produce documents or our personnel as witness with respect to our engagement for the Law Library, the Law Library will, so long as we are not a party to the proceeding in which the information is sought, reimburse us for our professional time and expenses, as well as the fees and expenses of our counsel, incurred in responding to such requests.

The audit documentation for this engagement will be retained for a minimum of seven years after the report release date or for any additional period requested by a regulatory body. If we are aware that a regulatory body or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

Independence

Vasquez meets the GAS independence requirements of as it relates to the Law Library. Professional and certain regulatory standards require us to be independent, in both fact and appearance, with respect to the Law Library in the performance of our services. Any discussions that you have with Vasquez personnel regarding employment could pose a threat to our independence. Therefore, we request that you inform us immediately prior to any such discussions so that we can implement appropriate safeguards to maintain our independence.

Dispute Resolution Procedure

The Law Library and Vasquez agree that no claim or demand for arbitration arising out of services rendered pursuant to this agreement shall be filed more than two years after the date of the auditors' report issued by Vasquez or the date of this arrangement letter, if no report has been issued. If any dispute, controversy, or claim arises out of, relates to, or results from the performance or breach of this Agreement, excluding claims for non-monetary or equitable relief (collectively, the "Dispute"), either party may, upon written notice to the other party, request non-binding mediation.

A recipient party of such notice may waive its option to resolve such Dispute by non-binding mediation by providing written notice to the party requesting mediation and then such parties hereto shall resolve such Dispute by binding arbitration as described below. Such mediation shall be assisted by a neutral mediator acceptable to both parties and shall require the commercially reasonable efforts of the parties to discuss with each other in good faith their respective positions and different interests to finally resolve such Dispute. If the parties are unable to agree on a mediator within twenty (20) days from delivery of the written notice, either party may invoke the mediation service of the American Arbitration Association (the "AAA").

Each party may disclose any facts to the other party or to the mediator that it, in good faith, considers reasonably necessary to resolve the Dispute. However, all such disclosures shall be deemed in furtherance of settlement efforts and shall not be admissible in any subsequent proceeding against the disclosing party. Except as agreed to in writing by both parties, the mediator shall keep confidential all information disclosed during mediation.

The mediator shall not act as a witness for either party in any subsequent proceeding between the parties. Unless waived, such mediation shall conclude after the parties have engaged in good faith settlement negotiations, but nonetheless are unable to resolve the Dispute through the mediation process. The attorneys' fees and costs incurred by each party in such mediation shall be borne solely by such party, except that the fees and expenses of the mediator, if any, shall be borne equally by the parties.

Any Dispute not resolved first by mediation between the parties (or if the mediation process is waived as provided herein) shall be decided by binding arbitration. The arbitration proceeding shall take place in the jurisdiction in which the Vasquez office providing the relevant services exists, unless the parties agree in writing to a different locale. The arbitration shall be governed by the provisions of the laws of the state in



which the arbitration is to take place (except if there is no applicable state law providing for such arbitration, then the Federal Arbitration Act shall apply) and the substantive law of such state shall be applied without reference to conflicts of law rules. In any arbitration instituted hereunder, the proceedings shall proceed in accordance with the then current Arbitration Rules for Professional Accounting and Related Disputes of the AAA, except that the Arbitration Panel (as defined below) shall permit discovery that is consistent with the scope of discovery typically permitted by the Federal Rules of Civil Procedure and/or is otherwise customary in light of the complexity of the Dispute and the amount in controversy. Any Dispute regarding discovery, or the relevance or scope thereof, shall be determined by the Arbitration Panel (as defined below).

The arbitration shall be conducted before a panel of three persons, one selected by each party, and the third selected by the two party-selected arbitrators (the "Arbitration Panel"). The party-selected arbitrators shall be treated as neutrals. The Arbitration Panel shall have no authority to award non-monetary or equitable relief, but nothing herein shall be construed as a prohibition against a party from pursuing non-monetary or equitable relief in a state or federal court. The parties also waive the right to punitive damages and the arbitrators shall have no authority to award such damages or any other damages that are not strictly compensatory in nature. In rendering their award, the Arbitration Panel shall issue in writing findings of fact and conclusions of law. The Arbitration Panel shall not have authority to grant an award that is not supported by substantial evidence or that is based on an error of law, and such absence of substantial evidence or such error of law may be reviewed on appeal to vacate an award based on the standard of review otherwise applicable in the Federal Appellate Court responsible for the jurisdiction in which the arbitration is venued, and without regard to any heightened standard of review otherwise applicable to an arbitration decision rendered by the AAA. The confidentiality provisions applicable to mediation shall also apply to arbitration. The award issued by the Arbitration Panel may be confirmed in a judgment by any federal or state court of competent jurisdiction. No payment of any award or posting of any bond of any kind whatsoever is required to be made or posted until such Dispute is finally determined.

In no event shall a demand for arbitration be made after the date on which the initiation of the legal or equitable proceeding on the same Dispute would be barred by the terms of this agreement. For the purposes of applying the terms of this agreement, receipt of a written demand for arbitration by the AAA shall be deemed the initiation of the legal or equitable proceeding based on such Dispute.

The Law Library waives any claim for punitive damages Vasquez' liability for all claims, damages and costs of the Law Library arising from this engagement is limited to the amount of fees paid by the Law Library to Vasquez for the services rendered under this arrangement letter.

If any term or provision of this Agreement is determined to be invalid or unenforceable, such term or provision will be deemed stricken and all other terms and provisions will remain in full force and effect.

Reporting

We will issue a written report upon completion of our audit of the Law Library's financial statements. Our report will be addressed to the Governing Board of the Law Library. We cannot provide assurance that an unmodified opinion will be expressed. Circumstances may arise in which it is necessary for us to modify our opinion, add an emphasis-of-matter or other-matter paragraph(s), or withdraw from the engagement.

In addition to our report on the Law Library's financial statements, we will also issue the following types of reports:

- Reports on internal control related to the financial statements. This report will describe the scope of testing of internal control and the results of our tests of internal controls.
- Reports on compliance with laws, regulations, and the provisions of contracts or grant agreements. We will report on any noncompliance which could have a material effect on the financial statements.



Fees and Costs

Cristy Canieda is the engagement partner and is responsible for supervising the engagement. Gilbert R. Vasquez is responsible for signing the audit report.

Our fees for the audit and accounting services described above are based upon the value of the services performed and the time required by the individuals assigned to the engagement, plus direct expenses.

Our fee estimate and completion of our work is based upon the following criteria:

- a. Anticipated cooperation from Law Library personnel
- b. Timely responses to our inquiries
- c. Timely completion and delivery of client assistance requests
- d. Timely communication of all significant accounting and financial reporting matters
- e. The assumption that unexpected circumstances (Exhibit I) will not be encountered during the engagement
- f. No instances of fraud that will require additional procedures

If any of the aforementioned criteria are not met, then fees may increase. We anticipate the fee to be **\$16,763**. The maximum number of report copies we will provide you is 10. Any copy(ies) you will request in excess of this maximum number will be an additional cost to you. As an alternative, we can provide you an electronic copy (PDF) of the report at no cost. Interim billings will be submitted as work progresses and as expenses are incurred.

Our invoices for these fees will be rendered in accordance with the terms set below and are payable on presentation. In accordance with Vasquez policies, work may be suspended if your account becomes 30 days or more overdue and will not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notice of termination, even if we have not issued a report. You will be obliged to compensate us for all time expended and to reimburse us for all out-of-pocket expenses through the date of termination. Invoices aged over 30 days may be subject to a 10% late charge.

The payment schedule for the aforementioned services is as follows:

<u>Year End Audit</u>	
Upon acceptance of this letter	\$ 6,000
Upon start of audit fieldwork	5,500
Issuance of initial audit draft	5,263
Total	\$ <u>16,763</u>

Our professional standards require that we perform certain additional procedures, on current and previous years' engagements, whenever a partner or professional employee leaves Vasquez and is subsequently employed by or associated with a client in a key position. Accordingly, the Law Library agrees it will compensate Vasquez for any additional costs incurred as a result of the Law Library's employment of a partner or professional employee of Vasquez.

Other Services

We are always available to meet with you and/or other executives at various times throughout the year to discuss current business, operations, accounting, and auditing matters affecting the Law Library. Whenever you feel such meetings are desirable, please let us know. We are also prepared to provide services to assist you in any of these areas.



You may request that we perform additional services not addressed in this engagement letter. If this occurs, we will communicate with you the scope of the additional services and estimated fees. We also may issue a separate engagement letter covering the additional services. In the absence of any other written communication from us documenting such additional services, our services will continue to be governed by the terms of this engagement letter.

GAS requires that we provide you with a copy of our most recent external peer review report and any letter of comment, and any subsequent peer review reports and letters of comment received during the period of the contract. Our 2013 peer review report accompanies this letter (Exhibit II).

This letter constitutes the complete and exclusive statement of agreement between Vasquez and the Law Library, superseding all proposals, oral or written, and all other communications, with respect to the terms of the engagement between the parties.

Please sign and return the attached copy of this letter to indicate your acknowledgment of, and agreement with, the arrangements for our audit of the financial statements including our respective responsibilities.

Very truly yours,

VASQUEZ & COMPANY LLP

Gilbert R. Vasquez
Managing Partner

RESPONSE:

This letter correctly sets forth the understanding of the **Los Angeles County Law Library**.

Officer's Signature: _____

Title: _____

Date: _____



EXHIBIT I – Examples of Unexpected Circumstances

Incorrect accounting applications or errors in your records

We generally form our fee estimates on the expectations that your accounting records are in good order so that our work can be completed based upon our normal testing and other procedures. However, should we find numerous errors, incomplete records or disorganized bookkeeping methods, we will have to do additional work to determine that the necessary corrections have been made and properly reflected in the financial statements.

Lack of audit facilitation or timely preparation

To minimize your costs, we plan the means by which your personnel can facilitate the audit (e.g. what schedules they will prepare, how to prepare them, the supporting documents that need to be provided, etc.). We also discuss matters such as availability of your key personnel, deadlines and working conditions. Indeed, the information concerning these matters that you furnish to us is a key element in our fee quotation. Therefore, if your personnel are unable, for whatever reason, to provide these materials on a timely basis, it may substantially increase the work we must do to complete the engagement within the established deadlines. Moreover, in some circumstances this may require a staff withdrawal, as discussed in the following paragraph.

Staff withdrawal

A staff withdrawal consists of our removing one or all staff because the condition of your records or the inability of your personnel to provide agreed upon materials within the established timetable makes it impossible for us to perform our work in a timely, efficient manner, as established by our engagement plan. Sometimes, a complete staff withdrawal is necessary to permit an orderly audit approach. A staff withdrawal is not necessarily an adverse reflection on your personnel. However, it involves additional costs, as we must reschedule our personnel; incur additional start-up costs, etc., to prevent total engagement costs from increasing significantly.

Unforeseen events

Even though we communicate frequently with clients and plan our engagement with management and their staff, unforeseen events can occur. Examples include accounting problems, litigation, changes in your business or business environment, contractual or other difficulties with suppliers, third-party service providers, or customers, etc. When those circumstances occur, additional time is needed to provide you with assistance and complete our engagement in accordance with professional standards.

Again, we emphasize that we strive to give you optimum value for our professional services. Fee quotations are provided based upon the facts and circumstances that you describe to us. However, unlike the sale of products, the performance of professional services is affected by many variables, such as the foregoing, which may cause fee estimates to change.

We want you to receive the maximum value for our professional services and to perceive that our fees are reasonable and fair. We, therefore, commit to inform you in advance of any need to revisit fee estimates.

EXHIBIT II – Peer Review Report



American Institute of CPAs
220 Leigh Farm Road
Durham, NC 27707-8110

January 13, 2014

Gilbert R. Vasquez, CPA
Vasquez & Company, LLP
801 S Grand Ave Ste 400
Los Angeles, CA 90017

Dear Mr. Vasquez:

It is my pleasure to notify you that on January 8, 2014 the National Peer Review Committee accepted the report on the most recent system peer review of your firm. The due date for your next review is June 30, 2016. This is the date by which all review documents should be completed and submitted to the administering entity.

As you know, the report had a peer review rating of pass. The Committee asked me to convey its congratulations to the firm.

Sincerely,

A handwritten signature in cursive script that reads "Betty Jo Charles".

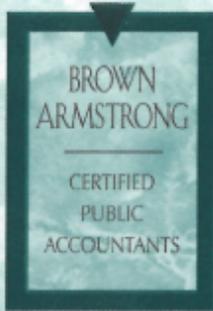
Betty Jo Charles
Chair, National Peer Review Committee
nprc@aicpa.org 919 402-4502

cc: Federico Llarenas Quinto; Burton Howard Armstrong

Firm Number: 10138115

Review Number 344067

Letter ID: 854834



BROWN ARMSTRONG
Certified Public Accountants

SYSTEM REVIEW REPORT

July 18, 2013

To the Partners
Vasquez & Company, LLP
and the National Peer Review Committee

MAIN OFFICE

4200 TRUXTUN AVENUE

SUITE 300
BAKERSFIELD, CA 93309
TEL 661.324.4971
FAX 661.324.4997
EMAIL info@bacpas.com

560 CENTRAL AVENUE

SHAFTER, CALIFORNIA 93263
TEL 661.746.2145
FAX 661.746.1218

8050 N. PALM AVENUE

SUITE 300
FRESNO, CALIFORNIA 93711
TEL 559.476.3592
FAX 559.476.3593

790 E. COLORADO BLVD.

SUITE 908B
PASADENA, CALIFORNIA 91101
TEL 626.240.0920
FAX 626.240.0922

5250 CLAREMENT AVENUE

SUITE 237
STOCKTON, CA 95207
TEL 209.451.4833

We have reviewed the system of quality control for the accounting and auditing practice of Vasquez & Company, LLP, (the firm) applicable to non-SEC issuers in effect for the year ended December 31, 2012. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants. As a part of our peer review, we considered reviews by regulatory entities, if applicable, in determining the nature and extent of our procedures. The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review. The nature, objectives, scope, limitations of, and the procedures performed in a System Review are described in the standards at www.aicpa.org/prsummary.

As required by the standards, engagements selected for review included engagements performed under *Government Auditing Standards* and audits of employee benefit plans.

In our opinion, the system of quality control for the accounting and auditing practice of Vasquez & Company, LLP, applicable to non-SEC issuers in effect for the year ended December 31, 2012, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Vasquez & Company, LLP, has received a peer review rating of *pass*.

BROWN ARMSTRONG
ACCOUNTANCY CORPORATION

*Brown Armstrong
Accountancy Corporation*



REGISTERED with the Public Company
Accounting Oversight Board and
MEMBER of the American Institute of
Certified Public Accountants



**Communication to the Board of Trustees Regarding
The Planned Scope And Timing Of The Audit
Los Angeles County Law Library
*Year ended June 30, 2016***

An Independently Owned Member
McGLADREY ALLIANCE



V&C Vasquez
& Company LLP
Certified Public Accountants and Business Consultants

July 28, 2016

To the Board of Trustees
Los Angeles County Law Library
301 W. First Street
Los Angeles, CA 90012

This letter is intended to communicate certain matters related to the planned scope and timing of our audit of the Los Angeles County Law Library's (Library) financial statements as of and for the year ended June 30, 2016.

Communication

Effective two-way communication between our Firm and the Board of Trustees is important to understanding matters related to the audit and in developing a constructive working relationship.

Your insights may assist us in understanding the Library and its environment, in identifying appropriate sources of audit evidence, and in providing information about specific transactions or events. We will discuss with you your oversight of the effectiveness of internal control and any areas where you request additional procedures to be undertaken. We expect that you will timely communicate with us any matters you consider relevant to the audit. Such matters might include strategic decisions that may significantly affect the nature, timing, and extent of audit procedures, your suspicion or detection of fraud or abuse, or any concerns you may have about the integrity or competence of senior management.

We will timely communicate to you any fraud involving senior management and other fraud that causes a material misstatement of the financial statements, illegal acts, instances of noncompliance, or abuse that come to our attention (unless they are clearly inconsequential), and disagreements with management and other serious difficulties encountered in performing the audit. We also will communicate to you and to management any significant deficiencies or material weaknesses in internal control that become known to us during the course of the audit. Other matters arising from the audit that are, in our professional judgment, significant and relevant to you in your oversight of the financial reporting process will be communicated to you in writing after the audit.

Independence

Our independence policies and procedures are designed to provide reasonable assurance that our Firm and its personnel comply with applicable professional independence standards. Our policies address financial interests, business and family relationships, and non-audit services that may be thought to bear on independence. For example, without our permission no partner or professional employee of Vasquez & Company LLP is permitted to have any direct financial interest or a material indirect financial interest in a client or any affiliates of a client. Also, if an immediate family member or close relative of a partner or professional employee is employed by a client in a key position, the incident must be reported and resolved in accordance with Firm policy. In addition, our policies restrict certain non-audit services that may be provided by Vasquez and Company LLP and require audit clients to accept certain responsibilities in connection with the provision of permitted non-attest services.



The Audit Planning Process

Our audit approach places a strong emphasis on obtaining an understanding of how your entity functions. This enables us to identify key audit components and tailor our procedures to the unique aspects of your operations. The development of a specific audit plan will begin by meeting with management to obtain an understanding of business objectives, strategies, risks, and performance.

As part of obtaining an understanding of your organization and its environment, we will obtain an understanding of internal control. We will use this understanding to identify risks of material misstatement and noncompliance, which will provide us with a basis for designing and implementing responses to the assessed risks of material misstatement and noncompliance. We will also obtain an understanding of the users of the financial statements in order to establish an overall materiality level for audit purposes. We will conduct formal discussions among engagement team members to consider how and where your financial statements might be susceptible to material misstatement due to fraud or error or to instances of noncompliance, including abuse.

The Concept of Materiality in Planning and Executing the Audit

We apply the concept of materiality both in planning and performing the audit, evaluating the effect of identified misstatements or noncompliance on the audit, and the effect of uncorrected misstatements, if any, on the financial statements, in forming the opinion in our report on the financial statements and in determining or reporting in accordance with Government Auditing Standards and other compliance reporting requirements. Our determination of materiality is a matter of professional judgment and is affected by our perception of the financial information needs of users of the financial statements. We establish performance materiality at an amount less than materiality for the financial statements as a whole to allow for the risk of misstatements that may not be detected by the audit. We use performance materiality for purposes of assessing the risks of material misstatement and determining the nature, timing, and extent of further audit procedures. Our assessment of materiality throughout the audit will be based on both quantitative and qualitative considerations. Because of the interaction of quantitative and qualitative considerations, misstatements of a relatively small amount could have a material effect on the current financial statements as well as financial statements of future periods. We will accumulate misstatements identified during the audit, other than those that are clearly trivial. At the end of the audit, we will inform you of all individual unrecorded misstatements aggregated by us in connection with our evaluation of our audit test results.

Our Approach to Internal Control and Compliance Relevant to the Audit

Our audit of the financial statements will include obtaining an understanding of internal control sufficient to plan the audit and to determine the nature, timing, and extent of audit procedures to be performed. An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. Our review and understanding of the Library's internal control is not undertaken for the purpose of expressing an opinion on the effectiveness of internal control.

We will issue reports on internal control related to the financial statements and compliance. These reports describe the scope of testing of internal control and the results of our tests of internal controls. Our reports on internal control will include any significant deficiencies and material weaknesses in the system, of which we become aware as a result of obtaining an understanding of internal control and performing tests of internal control consistent with the requirements of the Government Auditing Standards issued by the Comptroller General of the United States.



Timing of the Audit

We will start our audit field work during the week of August 29, 2016. Management's adherence to its closing schedule and timely completion of information used by us in performance of the audit is essential to timely completion of the audit.

Closing

We will be pleased to respond to any questions you have about the foregoing. We appreciate the opportunity to be of service to the Library.

This communication is intended solely for the information and use of the Board of Trustees, the Library's management and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

Vasquez and Company LLP


Cristy Canieda
Partner

MEMORANDUM

DATE: August 24, 2016

TO: Board of Law Library Trustees

FROM: Sandra J. Levin, Executive Director

RE: Approval of Law Library Closure on Dec. 24 and Dec. 31, 2016

SUMMARY

Staff recommends that the Law Library close on Saturday, December 24, 2016 and Saturday, December 31, 2016 due to holiday scheduling and low patron usage on those dates. The previously-approved Holiday Schedule for the Library includes closure on Monday December 25, 2016 and Monday, January 1, 2017. The Library is, of course, closed on Sundays as well.

There is no fiscal impact of the closure. Full time employees regularly scheduled to work on Saturdays will be reassigned two additional days. Part-time employees regularly assigned to Saturdays will be offered the opportunity, if they desire, to make up the missed hours on a mutually agreeable schedule.

RECOMMENDATION

Staff recommends that the Board approve Law Library Closure on Saturday, December 24, 2016 and Saturday, December 31, 2016.



MEMORANDUM

DATE: August 24, 2016

TO: Board of Law Library Trustees

FROM: Sandra J. Levin, Executive Director

RE: Approval of Revised Job Description for Global Law Librarian Position

INTRODUCTION AND SUMMARY

Like many other law libraries, the Law Library has updated the terminology used to refer to the law librarian who works with foreign, comparative and international legal materials. The new terminology uses “Global” rather than the technical “FCIL”. The attached job description reflects this change, along with a few minor changes to the wording of the requirements and responsibilities.

RECOMMENDATION

Staff recommends that the Board approve the attached updated job description.



LA LAW LIBRARY JOB DESCRIPTION

Title:	Librarian
Department:	Reference & Research
Focus:	FCIL Global Law Reference & Research
Reports to:	Director, Reference & Research
Position Supervised:	None
FLSA Status:	Exempt
Salary Grade:	5
Union Status:	Eligible for Representation
Effective Date:	

Position Summary

Under the direction of the Director of Reference and Research, the Global Law Reference Librarian is primarily responsible for providing foreign and international reference and research service to internal and external customers including the judiciary, government officials, attorneys, scholars, [the business community, corporate staff](#) and the general public. The librarian [has primary responsibility for](#) ~~assists in~~ [FCIL global](#) collection development and with special projects relating to the foreign and international legal materials.

Responsibilities and Duties

Core Responsibilities and Duties:

Reference Assistance to Library Users

- Conducts complete reference interviews to determine appropriate print and electronic resources to meet user requests.
- Performs both immediate reference and in-depth research searches; refers users to other resources as appropriate.
- Directs users to requested publications; assists users with both print and electronic resources.
- Provides instruction and guidance for use of library catalog, legal databases, legal research methodology and procedures.
- Responds to in-library, phone, mail, email and live-chat reference questions.
- Develops and maintains pathfinders, bibliographic resources and research guides.

Training and Outreach

- Participates in the development of training programs; designs new classes.
- Teaches classes and updates class materials for both legal and general public users.

- Participates in professional seminars, workshops, and lectures.
- Gives library tours to the public and school groups.
- Participates in orientation and training of new staff members and non-professional staff.
- Travels ~~weekly or~~ as assigned to a branch or partnership library to provide on-site reference and research services.

Collection Development

- Reviews print and electronic materials in assigned subject areas and makes recommendations for additions, deletions and enhancements to the collection.
- Analyzes subject areas of the collection as assigned and prepares comparative data.
- Participates in collection development meetings.

Other Responsibilities

- Participates in library-wide projects and programs.
- Monitors appropriate list-servs and reads professional publications; contributes to same as appropriate professional list-servs and publications.
- Attends professional programs, activities and conferences.
- Assists other reference and research services staff as required.
- Other duties as required.

Focus Responsibilities and Duties:

Collaboration with Programs and Partnerships and Communications

- Works closely with the Directors of Programs and Partnerships and Communications to foster awareness in the Los Angeles community and beyond of the LA Law Library's global foreign and international law collection.
- Assists in the assessment of the unique foreign and international law requirements of each of the Library's constituent groups including the courts, lawyers, attorneys, the business community, ~~the~~ academic community, and the general public.
- Proposes programs and special services to satisfy the demand for access to foreign and internationalglobal law materials among the Library's various user groups.
- Develops and conducts FCIL training programs and classes for the Library's various foreignglobal -law user groups.

Reference and Research Assistance to Library Users

- Conducts reference interviews; provides general reference, directional and research guidance service for foreign, comparative or internationalglobal -law inquiries using both print and online resources.
- Provides complex reference & in-depth research searches for foreign, comparative or internationalglobal law inquiries using both print and online resources.
- Participates in general Reference & Research services as part of regular workflow, including regular shifts at the reference desk.

Collection Development

- Helps manage the development of the Law Library's ~~global~~FCIL collection resources in all formats.
- Works within the Collection Development Policy guidelines to establish and maintain the ~~global foreign, comparative and international~~ law collection.
- Reviews and evaluates advertisements, website information and other sources for new titles and editions and makes recommendations on new purchases, replacements, updates and removals from the collection.

Staff Responsibilities

- Provides instruction and training for reference librarians on resources and products added to the ~~FCIL~~global collection, and on research methodology and strategies.
- Plans and participates in training, seminars, and workshops for staff ~~and outside groups~~.

Participation in planning and direction of the LA Law Library

- Collaborates with the Director of Reference and Research on long range and short term planning for the ~~FCIL~~global collection, reference services and the library in general.
- Assists in analyzing user needs and recommends new projects, programs and services for various library user groups.
- Helps ensure quality reference and research services through participation in continuing education programs, seminars and workshops.

Position Qualifications

Education/Training Requirement:

- A graduate Library Science degree from an American Library Association (ALA) accredited school.

Experience Requirement:

- ~~Directly related experience as a law librarian~~.
- ~~Three Two~~ -years' experience working ~~primarily~~ with ~~foreign and international~~global legal resources ~~in a library or related field~~preferred.
- ~~Reading knowledge of at least one foreign language~~
- ~~Demonstrated Ability to~~ ~~bility to~~ plan, implement and/or coordinate projects ~~directed to range of constituent groups~~.

~~Additional~~ Preferred Qualifications:

- ~~JD degree and working experience as an attorney~~.
- ~~Experience working with global legal materials~~
- Ability to develop programs and initiatives that cultivate awareness of the Library's collection and services.
- Reading knowledge of ~~additional~~at least one foreign languages.
- ~~Experience in presenting workshops and classes~~.

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Work Environment

Will be working in an office environment and in reference public service counter areas.

Physical Abilities Required

- Lifting ability: Light, under 15 lbs. on a regular basis. Up to 50 lbs. on an occasional basis.
- May require bending, stooping, and reaching.
- Must be able to move from one branch or partnership location to another.
- Some exposure to adverse environmental conditions such as dust and/or odors.
- Sitting at a desk: short time, 15 minutes and/or medium, 15-45 min. on a regular basis; on rare occasions, to complete complex projects or tasks, long periods of 45+ min. may be required.

Approvals

_____	_____	_____	_____
Immediate Supervisor	Date	Senior Director	Date
_____	_____	_____	_____
Human Resources	Date	Executive Director	Date

Statement of Employee

I understand the position and its responsibilities and expectations as described above. The above statements describe the level of work performed in general terms. The statements are not intended to list all the responsibilities, duties and/or skills required of employees so classified. The content herein is subject to change, with or without due notice.

Signature _____ Date _____



[January, 2014](#)[August, 2016](#)

Librarian, FCIL

Job Description

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Print Name _____

Distribution: Original - Human Resources, Copies - Supervisor, Employee

AGENDA ITEM 4

DISCUSSION ITEMS

- 4.1 Strategic Plan Beginnings: Update to the List of the Library's Strengths, Weaknesses, Opportunities and Threats
- 4.2 Staff Presentation of Library Tours (CA Gold, Global, Ghost)

MEMORANDUM

DATE: August 24, 2016

TO: Board of Law Library Trustees

FROM: Sandra J. Levin, Executive Director

RE: Strategic Plan Beginnings: Update to the List of the Library's Strengths, Weaknesses, Opportunities and Threats

SUMMARY

This report presents the views of Staff as to the evolution of the Law Library's Strengths, Weaknesses, Opportunities and Threats since they were identified at the outset of the last Strategic Planning process. The updated list of SWOTs is presented to the Board for discussion and/or amendment.

BACKGROUND

At the quarterly All Staff meeting on June 16, 2016, Law Library Staff held a first discussion as a kick-off to the new strategic planning process. Specifically, Staff revisited the list of Strengths, Weaknesses, Opportunities and Threats that was developed in early 2013 as the initial step in the formation of the Library's current Strategic Plan. Staff was asked to review the lists and eliminate those that were no longer relevant and add those that had since developed or come to light.

Most changes and additions were the result of consensus, albeit sometimes after discussion. Where there was disagreement as to whether an item should be stricken, the item remained on the list. Where there was disagreement as to whether an item should be added, the item was added by agreement of any significant number of Staff members. This process was similar to the formation of the initial list. Thus, items may reflect the views or perceptions of fewer than all Staff members, but always reflect at least a significant number.

The redlined list is presented (attached) for the Board's consideration.

ANALYSIS

Although the Board is invited to question and discuss any or all individual items, the focus of this staff report is on the overall trends identified by the exercise. In particular, it was Staff's perception that the Law Library had developed a number of additional strengths since the discussion in 2013 (e.g., expanded educational opportunities, collaboration with partners and use of volunteers). Moreover, a number of weaknesses have been eliminated (e.g., the lack of trust within the organization, the lack of



flexibility, the impaired relationships with various third parties, the lack of visibility of the Law Library, etc.). Meanwhile, new opportunities were identified and several threats were no longer perceived as significant. Overall, the SWOT analysis reflects a much more positive outlook (albeit with the overarching significant threat/challenge of decreased funding).

RECOMMENDATION

Staff recommends that the Board ask questions, discuss and suggest any additional Strengths, Weaknesses, Opportunities or Threats that should be included in the list.



ATTACHMENT

LA Law Library SWOT Analysis 2016

What are the Law Library's strengths and accomplishments?

Staff (skills, attitude, expertise)

Extensive collection

Reputation

Even better than in 2013

Trusted, neutral brand

Customer Service

Locations

Technology

Partnerships

Resource - Domestic & Global

Organization of Information - Meta Data Used by Others

Renovated Indoor & Outdoor Space – Better use of space

Internet Spreading Info (Events, Artwork, Related Info)

Growth in Community Awareness Via Social Media, Events, Programs

Educational Opportunities

Collaboration with Partners

Use of Volunteers

Cross training among departments

What are the Law Library's Weaknesses and Challenges?

Technology

~~Relationships with Bar Associations & Other Community Groups~~

Shortage of Staffing & Funding

~~Communication & Trust within Organization~~

~~Inflexibility~~

Micromanagement

Presence

~~Lack of Visibility/Insufficient Media Presence~~

Not Utilizing Employee Expertise, Abilities

Top Heavy-Lots of Bosses & Supervisors.

Patron Information - Need Assessment

~~Relationship with Union~~

~~Morale~~

Maintaining A Strong Staff

Multilingual assistance and resources

Usage/stats in Circulation transactions, copy center, Saturday users and Reading Room Use

Opportunities

Partnerships

Name Recognition

Technology

Public WiFi printing

Online renewals and transactions

Library as site for court's online processing/filing

Location

Reduction in law firm libraries

Increase in self-representation

Nimble (flexibility) [being done]

Growth of self-help

Library Events - Community / Legal / Public / National

Branch Locations as Event Hosts - Income - Training Classes / Receptions / Meeting Space

Serve new Constituent Groups—Paralegals, Public Service Agencies [being done]

Print Collection (Rare Commodity)

New Federal Court House

Sell Supplies (Pens, White-out) [being done]

Coffee Bar

Provide Metadata & Records for Other Institutions

Nights -- Open [partially complete; add more]

Prison Inmates

Free Borrowing for Everyone

Increased signage within the downtown area, transportation system, etc

Maintain positive morale

Room rentals to attorneys

Copier in Mosk Courthouse (publicize)

Become passport processing venue

Notary Service

Threats

Decreased Funding

Changing Economy—Demand for Services is Unknown

Losing Space at Branch Locations

Competition (Law Firms; Law Libraries)—Internet

Public resistance to change

Digitalization Trend/Information Freely Available on Internet

alternative, free or low-cost digital resources

Public Acceptance of Mediocre Information on Internet

Individual Digital Space

Common misperception that libraries are no longer relevant

**LA Law Library Tours:
CA Gold, Global & Ghost**

Presented by:

Esther Eastman

Shohreh Saljooghi

Betsy Warner

August 24, 2016