



## AGENDA

Board of Library Trustees Budget Committee | Altadena Library District  
Virtual – Zoom – September 16, 2022 – 11:00 a.m.

### IMPORTANT NOTICE REGARDING SEPTEMBER 16, 2022 SPECIAL MEETING

This meeting will be conducted in a hybrid fashion, utilizing teleconference, electronic, and in-person means consistent with the **State of California Executive Order N-29-20** dated March 17, 2020, regarding the COVID-19 pandemic and Altadena Library District Board of Trustees' Resolution 2021-05. The live stream of the meeting may be viewed by visiting the Altadena Library District's YouTube channel at the following URL  
<https://www.youtube.com/c/AltadenaLibrary>

**SUBMISSION OF PUBLIC COMMENT:** For those wishing to make Public Comments at the September 16, 2022 Meeting, you may submit by email to be read aloud at the meeting. For emailed comments, if multiple comments are submitted, only the first comment will be read aloud during the meeting. Email and Electronic Comments submitted online will be accepted up to two (2) hours prior to the start of the meeting. Email comments can be submitted to [hello@altadenalibrary.org](mailto:hello@altadenalibrary.org) with the subject line: "Public Comment". Electronic Comments may also be submitted online at [www.altadenalibrary.org/publiccomment](http://www.altadenalibrary.org/publiccomment). If you wish to make your public comment during the live meeting, please state so in your email or select "*Yes – I want to provide this comment in real-time and need the Zoom link*" in the online form.

Email and Electronic Comments will be submitted to the legislative body and shall become part of the record of the meeting.

If you are unable to submit via email, online, you can call in to (626) 798-0833 ext. 103, during the corresponding item of the agenda. For public comment on any non-agenda item, please plan to call at 1:00 pm.

**PUBLIC REQUESTS FOR DOCUMENTS:** The District provides a public inspection copy of all materials included in the agenda packet distributed to the Board members. Members of the public who wish to obtain a copy of any document may do so by completing a Request for Public Document form and submitting it to Administration who will arrange for the documents to be copied at a charge of 15¢ per page. Request forms are available at the District Administration offices.

In compliance with the Americans with Disability Act, if you need special assistance to participate in the meeting, please contact Library Administration at (626) 798-0833 x103 at least 48 hours prior to the meeting so the Altadena Library District may make reasonable arrangements to ensure accessibility to the meeting.

**LAND ACKNOWLEDGEMENT:** The Altadena Library District acknowledges its presence on the traditional, ancestral, and unceded land of the Gabrielino Tongva peoples. Altadena is located on the stolen homelands of the Xaxaamonga (Hahamongna) tribal band. The traditional territory of the Gabrielino Tongva is referred to as Tovaangar, which includes the areas currently known as Los Angeles County, Riverside County, West San Bernardino County, parts of Orange County as well as the four southern Channel Islands. Entities such as the U.S. government and non-Native settlers have subjected the Gabrielino Tongva peoples to historic and continuing injustices, including genocide, forced displacement, and cultural and linguistic erasure. Altadena Library commits to learning, educating, and informing its staff and residents of present-day Altadena about the rich histories, vibrant communities, and culture of Gabrielino Tongva people, present and past,

through our collection development, resources, and program offerings.

**I. Call to order**

- a. Land Acknowledgment

**II. Open Session**

- a. Roll Call
- b. Approval/Reordering of Agenda Items
- c. Adoption of Agenda
- d. Public Comment on Non-Agenda Items

**III. Consent Calendar**

*The Board of Library Trustees hereby approves the items and recommended actions in the Consent Calendar listed below:*

- a. Approval of Minutes – Regular Meeting held May 5, 2022 **Pages 3-6**

**IV. Consideration of Items Removed from the Consent Calendar**

*Items removed from the Consent Calendar discussed individually at this time.*

**V. Unfinished Business**

- a. None

**VI. New Business**

- a. Update on CalPERS California Employers Retiree Benefit Trust (CERBT) account and recommendation to adopt a Resolution establishing an agreement through the California Employers' Pension Prefunding Trust (CEPPT) Program **(Action) Pages 7 - 41**
- b. Review and Approval of Job Description for Staff Accountant **(Action) Pages 42 - 46**
- c. Review of RFPs for District Accounting and Financial Services **(Action) Pages 47 - 77**

**VII. Announcements & Planning**

- a. Proposed Future Agenda Items

**VIII. Adjournment**

- a. Adjourn Meeting



## MINUTES

Board of Library Trustees  
Budget Committee | Altadena Library District  
Virtual – Zoom – May 5, 2022 – 1:00 p.m.

### IMPORTANT NOTICE REGARDING MAY 5, 2022 BUDGET COMMITTEE MEETING

This meeting will be conducted utilizing teleconference and electronic means consistent with the **State of California Executive Order N-29-20** dated March 17, 2020, regarding the COVID-19 pandemic and Altadena Library District Board of Trustees' Resolution 2021-05. The live stream of the meeting may be viewed by visiting the Altadena Library District's YouTube channel at the following URL <https://www.youtube.com/c/AltadenaLibrary>

**SUBMISSION OF PUBLIC COMMENT:** For those wishing to make Public Comments at the May 5, 2022 Meeting, please submit your comments by email to be read aloud at the meeting. If multiple comments are submitted, only the first comment will be read aloud during the meeting. Email and Electronic Comments submitted online will be accepted up to two (2) hours prior to the start of the meeting. Email comments can be submitted to [hello@altadenalibrary.org](mailto:hello@altadenalibrary.org) with the subject line: "Public Comment". Electronic Comments may also be submitted online at [www.altadenalibrary.org/publiccomment](http://www.altadenalibrary.org/publiccomment). If you wish to make your public comment during the live meeting, please state so in your email or select "*Yes – I want to provide this comment in real-time and need the Zoom link*" in the online form.

Email and Electronic Comments will be submitted to the legislative body and shall become part of the record of the meeting.

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about the rich histories, vibrant communities, and culture of Gabrielino Tongva people, present D Altadena ~ Libraries and past.

**I. Call to order**

Trustee Katie Clark called the meeting to order at 1:00 pm.

**II. Open Session**

a. Roll Call

Trustee Clark called roll call. Trustee Wilkerson responded as present. Quorum was confirmed.

b. Approval/Reordering of Agenda Items

No adjustments were made.

c. Adoption of Agenda

**Moved by Trustee Wilkerson to adopt the Agenda.**

**Seconded by Trustee Clark. Trustee Clark opened the floor for discussion. No discussion followed.**

**Roll Call Vote:**

**Trustee Clark: Aye**

**Trustee Wilkerson: Aye**

**Motion passed.**

d. Public Comment on Non-Agenda Item

No Comment was made.

**III. Consent Calendar**

The Budget Committee hereby approves the items and recommended actions in the Consent Calendar listed below:

a. Approval of Minutes – Regular Meeting held February 3, 2022

**Moved by Trustee Wilkerson to adopt the Consent Calendar.**

**Seconded by Trustee Clark. Trustee Clark opened the floor for discussion.**

**No discussion followed.**

**Roll Call Vote:**

**Trustee Clark: Aye**

**Trustee Wilkerson: Aye**

**Motion passed.**

**IV. Unfinished Business**

a. None

**V. New Business**

a. Review and Recommendation for approval of the Board of Trustees of the new ALD Unfunded Accrued Liability (UAL) Policy **(Action)**

District Director Nikki Winslow introduced the agenda item. Questions from the Board regarding the various options presented in the new UAL policy were answered by Ian Berg and Andrew Flynn from Eide Bailly.



**Moved by Trustee Wilkerson to recommend Board of Trustees' to approve the new Unfunded Accrued Liability (UAL) Policy. Seconded by Trustee Clark. Trustee Clark opened the floor for discussion. No discussion followed.**

**Roll Call Vote:**

**Trustee Clark: Aye**

**Trustee Wilkerson: Aye**

**Motion passed.**

- b. Review and Approval of Committee's Recommendation to Adopt the updated Salary Schedule for Fiscal Year 2022-2023 to be presented to Board of Trustees for final approval **(Action)**

District Director Nikki Winslow introduced the agenda item. Discussion ensued.

**Moved by Trustee Wilkerson to recommend the Board of Trustees' adopt the updated salary schedule for Fiscal Year 2022-2023, with the cost of living adjustment to reflect a 7% increase in place of the staff presented 5% increase. Seconded by Trustee Clark. Trustee Clark opened the floor for discussion. No discussion followed.**

**Roll Call Vote:**

**Trustee Clark: Aye**

**Trustee Wilkerson: Aye**

**Motion passed.**

- c. Review and Approval of Committee's Recommendation to Adopt the Fiscal Year 2022-2023 Budget to be presented to Board of Trustees for final approval **(Action)**

Office Manager Ana Villalobos introduced the agenda item and presented each section of the budget for the board. Ian Berg and Kristi Even of Eide Bailly were present to take questions from the Board. Discussion ensued. The Board complimented staff on the new budget format.

**Moved by Trustee Wilkerson to recommend the Board of Trustees' adopt the Fiscal Year 2022-2023 Budget, with the recommended adjustments to the Salary Schedule and CFD costs. Seconded by Trustee Clark. Trustee Clark opened the floor for discussion. No discussion followed.**

**Roll Call Vote:**

**Trustee Clark: Aye**

**Trustee Wilkerson: Aye**

**Motion passed.**

- d. Review and Approval of Committee's Recommendation to Adopt the updated ALD Financial Policies to be presented to Board of Trustees for final approval **(Action)**

District Director Winslow introduced the agenda item. Kristi Even of Eide Bailly was present to take questions from the Board. Discussion ensued.

**Moved by Trustee Wilkerson to recommend the Board of Trustees' adopt the updated ALD Financial Policies. Seconded by Trustee Clark. Trustee Clark opened the floor for discussion. No discussion followed.**

**Roll Call Vote:**

**Trustee Clark: Aye**

**Trustee Wilkerson: Aye**

**Motion passed.**

- e. Review and Approval of Budget Committee Meeting Schedule for Fiscal Year 2022-2023 **(Action)**

District Director Winslow introduced the agenda item. Kristi Even of Eide Bailly was present to take questions from the Board. Discussion ensued.

**Moved by Trustee Wilkerson to approve the Meeting Schedule for Fiscal Year 2022-2023. Seconded by Trustee Clark. Trustee Clark opened the floor for discussion. No discussion followed.**

**Roll Call Vote:**

**Trustee Clark: Aye**

**Trustee Wilkerson: Aye**

**Motion passed.**

- f. Review of the Adopted Fiscal Year 2022-2023 Budget for the Local Agency Formation Commission for the County of Los Angeles (LAFCO) **(Informational)**

**VI. Announcements & Planning**

- a. Proposed Future Agenda Items

No future agenda items were proposed.

**VII. Adjournment**

Trustee Clark adjourned the meeting at 2:42 pm.



**BOARD OF LIBRARY TRUSTEES - BUDGET COMMITTEE  
ITEM V.A. STAFF REPORT FOR SEPTEMBER 2022 SPECIAL MEETING**

**REPORT:** Agenda Item V.a.

**MEETING DATE:** September 16, 2022

**PREPARED BY:** Nikki Winslow

**LOCATION:** Virtual Meeting

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**TITLE:** Update on CalPERS California Employers Retiree Benefit Trust (CERBT) account and recommendation to adopt a Resolution establishing an agreement through the California Employers' Pension Prefunding Trust (CEPPT) Program

**BACKGROUND:**

In February of 2022, the District was authorized to contract with CalMuni to draft a new Unfunded Accrued Liability (UAL) Policy. This policy was approved by the Board on May 23, 2022. The purpose of the policy is to develop a plan to pay down our debt obligation to CalPERS for pension benefits to reduced the amount of interest paid on these funds.

Section 4B of the Policy permits the District to establish a Section 115 trust fund managed by a third-party investment manager. The Section 115 trust fund allows for the District to contribute Sequestered Savings and Sequestered Surplus as well as any other funds deposited into it at the discretion of the Board of Trustees, based on recommendations made by the District staff. These funds in the Section 115 Trust Fund are used to manage the District's pension benefits costs.

Staff have explored options available to administer a Section 115 Trust and are recommending the CalPERS California Employers' Pension Prefunding Trust (CEPPT) program be utilized.

The CEPPT is a self-funded not-for-profit fund where all the costs are paid by the participating employers. There are no profits generated by CalPERS through the operation of this program. There are no implementation or one-time fees for this as well. The District is not charged any fees until funds are deposited into the account. The administrative fees will be paid from the assets in the fund itself.

Following this staff report is an update from CalPERS on the status of the California Employers Retiree Benefit Trust (CERBT) that is already established to fund retiree health benefit costs, as well as an overview of the CEPPT and benefits of establishing this account.

**FISCAL IMPACT:**

Administrative fees to be determined.

**RECOMMENDATION:**

Staff recommends that the Budget Committee votes to recommend to the Board of Trustees to adopt a Resolution authorizing the Altadena Library District to enter into an agreement with the

CalPERS via the California Employers' Pension Prefunding Trust (CEPPT), a Section 115 Irrevocable Trust, and delegating authority to the District Director to request disbursements through the budgeting process.



# CERBT Account Update

Altadena Library District

September 14, 2022

# Discussion Overview

- Trust Account Summary
- CERBT Investments
- CERBT Administration
- CEPPT Pension Prefunding Overview
- Contacts and Communication

# OPEB Valuation Report Summary

## OPEB Actuarial Valuation Report by Total Compensation Systems

Valuation Date	06/30/2019	06/30/2021
Total Participants (Active + Retirees w/ Benefits + Retirees w/o Benefits = Total)	19 + 4 + 1 = 34	23 + 15 + 0 = 38
Present Value of Benefits (PVB)	\$2,395,513	\$2,412,210
<b>Total OPEB Liability (TOL)</b>	<b>\$1,603,724</b>	<b>\$1,639,527</b>
Valuation Assets	\$579,671	\$767,642
Net OPEB Liability (NOL)	\$1,024,053	\$871,885
Funded Status	36%	47%
<b>Actuarially Determined Contribution (ADC)</b>	<b>\$151,196 (fye 2021)</b>	<b>NA</b>
Normal Cost	\$81,401 (fye 2021)	NA
Amortization of Net OPEB Liability	\$61,777 (fye 2021)	NA
Projected Retiree Premiums (Pay-Go Cost)	\$78,670 (fye 2022)	\$72,275 (fye 2023)
Implicit Rate Subsidy Credit	\$8,310 (fye 2022)	\$5,238 (fye 2023)
CERBT Asset Allocation Strategy	Strategy 3	Strategy 3
Discount Rate	5.70%	5.75%

# CERBT Account Summary

As of August 31, 2022	Strategy 3
Initial contribution <small>(4/17/2013)</small>	\$50,000
Additional contributions	\$559,221
Disbursements	(\$73,922)
CERBT expenses	(\$3,706)
Investment earnings	\$158,123
Total assets	\$689,717
Money-weighted annualized net rate of return <small>(4/17/2013 – 8/31/2022= 9.4 Years)</small>	3.99%

In PEMHCA: Yes  
 CERBT agreement effective date: 2/12/2013

# Cash Flow Summary by Fiscal Year

Fiscal Year	Contributions	Disbursements	Cumulative Net Contributions	Cumulative Investment Gains (Losses)	Cumulative Fees	Cumulative Ending Assets	Fiscal Year Net Rate of Return	Cumulative Net Rate of Return
2012-13	\$75,000	\$0	\$75,000	(\$1,840)	(\$15)	\$73,145	-	-
2013-14	\$60,516	\$0	\$135,516	\$11,758	(\$163)	\$147,111	13.29%	10.22%
2014-15	\$75,001	\$0	\$210,517	\$11,094	(\$339)	\$221,273	-0.38%	3.92%
2015-16	\$139,700	\$0	\$350,217	\$27,062	(\$576)	\$376,703	5.69%	4.77%
2016-17	\$140,004	\$0	\$490,221	\$45,970	(\$948)	\$535,243	4.38%	4.61%
2017-18	\$0	(\$73,922)	\$416,299	\$71,290	(\$1,418)	\$486,172	4.73%	4.65%
2018-19	\$59,000	\$0	\$475,299	\$106,678	(\$1,835)	\$580,142	7.27%	5.23%
2019-20	\$60,000	\$0	\$535,299	\$143,736	(\$2,342)	\$676,693	6.36%	5.45%
2020-21	\$0	\$0	\$535,299	\$235,705	(\$2,957)	\$768,048	13.6%	6.85%
2021-22	\$0	\$0	\$535,299	\$153,413	(\$3,604)	\$685,108	-10.72%	3.99%
as of 8/31/22	\$0	\$0	\$535,299	\$158,123	(\$3,706)	\$689,717	-	3.99%

# Funded Status Comparison

Measurement Date	Total OPEB Liability	CERBT Assets	Funded Status
6/30/2012	\$1,270,004	\$0	0%
7/1/2013	\$1,253,745	\$0	0%
6/30/2017	\$1,625,147	\$535,377	33%
6/30/2019	\$1,603,724	\$579,671	36%
6/30/2021	\$1,639,527	\$767,642	47%

# CERBT Portfolios

2022 Capital Market Assumptions	CERBT Strategy 1	CERBT Strategy 2	CERBT Strategy 3
Expected Return	6.3%	5.9%	<b>5.5%</b>
Risk	12.1%	9.9%	<b>8.4%</b>

# CERBT Portfolio Details

Asset Classification	Benchmark	CERBT Strategy 1	CERBT Strategy 2	CERBT Strategy 3
Global Equity	MSCI All Country World Index	49% ±5%	34% ±5%	23% ±5%
Fixed Income	Bloomberg Capital Long Liability Index	23% ±5%	41% ±5%	51% ±5%
Global Real Estate (REITs)	FTSE EPRA/NAREIT Developed Liquid Index	20% ±5%	17% ±5%	14% ±5%
Treasury Inflation Protected Securities (TIPS)	Bloomberg Capital Global Real: US TIPS Index	5% ±3%	5% ±3%	9% ±3%
Commodities	S&P GSCI Total Return Index	3% ±3%	3% ±3%	3% ±3%
Cash	3-Month Treasury Bill	0% +2%	0% +2%	0% +2%



# CERBT Investment Returns Outperform Benchmarks

Periods Ended July 31, 2022

Fund	Assets	1 Month	3 Months	FYTD	1 Year	3 Years	5 Years	10 Years	ITD
CERBT Strategy 1 (Inception June 1, 2007)	\$13,707,208,616	5.97%	-1.18%	5.97%	-9.35%	6.52%	6.41%	7.29%	5.23%
Benchmark		5.93%	-1.34%	5.93%	-9.58%	6.23%	6.12%	6.92%	4.82%
CERBT Strategy 2 (Inception October 1, 2011)	\$1,841,247,699	5.23%	-0.64%	5.23%	-9.39%	5.00%	5.40%	6.02%	6.74%
Benchmark		5.19%	-0.74%	5.19%	-9.53%	4.79%	5.17%	5.69%	6.47%
CERBT Strategy 3 (Inception January 1, 2012)	\$782,129,463	4.63%	-0.25%	4.63%	-8.33%	3.99%	4.60%	4.80%	5.22%
Benchmark		4.59%	-0.34%	4.59%	-8.40%	3.83%	4.42%	4.46%	4.94%
<b>CERBT Total</b>	<b>\$16,330,585,778</b>								

Time weighted return reports the performance of the investment vehicle, not of the employer assets. Returns are gross. Historical performance is not necessarily indicative of actual future investment performance or of future total program cost. Current and future performance may be lower or higher than the historical performance data reported here. Investment return and principal value may fluctuate so that your investment, when redeemed, may be worth more or less than the original cost. The value of an employer's fund shares will go up and down based on the performance of the underlying funds in which the assets are invested. The value of the underlying funds' assets will, in turn, fluctuate based on the performance and other factors generally affecting the securities market.

# CERBT Employer Funded Status by Strategy

Funded Status (TOL)	Strategy 1	Strategy 2	Strategy 3	Total
0-25%	86	47	29	162
26-50%	68	22	10	100
51-75%	83	21	7	111
76-100%	49	16	13	78
> 100%	85	41	21	147*
Total	371	147	80	598

Funded status based on Employers' most recent OPEB Cost Reports. \*63 superfunded employers

# You Control Your Participation

## Investment portfolio

- 3 investment options
- Choose a strategy based on yield, risk tolerance and time horizon

## Voluntary contributions

- Never required
- Full control of amount and schedule

## Reimbursement/Liquidity

- Reimburse current year OPEB expense (Pay-go + Implicit subsidy)

## Choose OPEB actuary

- Discount rate
- Amortization schedule

# CERBT Disbursement Frequency

31%

- Percentage of employers that have requested disbursements

69%

- Percentage of employers that have not requested disbursements

# Financial Reporting

- CEPPT is reported in compliance with GASB 84
- CERBT provides audited and compliant GASB 74 report in a Schedule of Changes in Fiduciary Net Position (FNP)
  - Published in February each year

CERBT FNP Fiscal Year	Availability
<a href="#">2018-19</a>	Available at <a href="https://www.calpers.ca.gov/cerbt">https://www.calpers.ca.gov/cerbt</a>
<a href="#">2019-20</a>	
<a href="#">2020-21</a>	
2021-22	February 2023

# Total Participation Cost Fee Rate

- All-inclusive cost of participation
  - CERBT: 10 basis points (bps) fee on asset balance
  - CEPPT: 25 basis points (bps) fee on asset balance
  - Combines administrative, custodial, and investment fees
  - Self-funded, not-for-profit, fee rate may change in the future
- Zero cost to join and setup account

## Fee Rate Illustration

Asset Value on Deposit*	All-Inclusive Fee Rate	Annual Cost
\$1,000,000	10 Basis Points (0.10%)	\$1,000
\$1,000,000	25 Basis Points (0.25%)	\$2,500

\*Asset values shown assume the amount is deposited on the first day of a 12-month calendar year and remains constant the entire 12 months ending on the last day with the exact same amount. No investment gains/losses, or contribution additions/withdrawals are experienced at any time during the 12 months.

There are **no** additional fees of any kind. No set-up, joining, renewal, contribution, disbursement, termination fees. No minimum contribution amount.

# CEPPT/CERBT Consistently Low Fee Rate History

Fiscal Year	CERBT	CEPPT
2007-2008	2.00 basis points	-
2008-2009	6.00 basis points	-
2009-2010	9.00 basis points	-
2010-2011	12.00 basis points	-
2011-2012	12.00 basis points	-
2012-2013	15.00 basis points	-
2013-2014	14.00 basis points	-
2014-2015	10.00 basis points	-
2015-2016	10.00 basis points	-
2016-2017	10.00 basis points	-
2017-2018	10.00 basis points	-
2018-2019	10.00 basis points	-
2019-2020	10.00 basis points	25.00 basis points
2020-2021	10.00 basis points	25.00 basis points
2021-2022	10.00 basis points	25.00 basis points
<b>2022-2023</b>	<b>10.00 basis points</b>	<b>25.00 basis points</b>

# CalPERS IRC Section 115 Trust Funds

## California Employers' Retiree Benefit Trust (CERBT - OPEB)

- Voluntarily prefund non-pension, other post-employment benefits (OPEB)
- Established 2007
- 598 employer participants
- \$15.3B invested assets
- 3 Investment Portfolio choices

## California Employers' Pension Prefunding Trust (CEPPT - Pension)

- Voluntarily prefund required pension contributions
- Established 2019
- 76 employer participants
- \$80M invested assets
- 2 Investment Portfolio choices



# Prefunding Program Employers

**620 contracting employers (598 CERBT and 76 CEPPT)**



State of California



157 Cities or Towns



10 Counties

81 School Employers



32 Courts



338 Special Districts &  
Public Agencies



# California Employers Pension Prefunding Trust (CEPPT)

# Pension Cost Considerations & Outlook

## Cost Considerations

- **Normal Cost**
  - Ongoing perpetual cost
  - Naturally rises due to payroll & headcount
- **Unfunded Accrued Liability (UAL)**
  - Exists for most agencies
  - Will reoccur if plan is negative
  - 6.8% interest

## Outlook

- Likely to increase for the next 5 to 15 years
- Fluctuating volatile costs
- Employers will need to budget more

# CalPERS Pension Plans Summary

Plan	Funded Status (6/30/2020)	Unfunded Liability (7% Interest)	UAL Payment 2022-23	Normal Cost 2022-23	Total Contribution 2022-23
Miscellaneous Plan	68.2%	\$2,870,748	\$227,754	\$22,021	\$249,775
Miscellaneous Second Tier Plan	86.0%	\$3,315	\$609	\$0	\$609
PEPRA Miscellaneous Plan	89.6%	\$82,199	\$5,419	\$99,696	\$105,115
Totals	69.9%	<b>\$2,956,262</b>	<b>\$233,782</b>	<b>\$121,717</b>	<b>\$355,499</b>

# Pay Down Your Misc Classic Pension Debt Faster and Save

Date	<u>Current Amortization Schedule</u>		<u>Alternate Schedules</u>			
	Balance	Payment	15 Year Amortization		10 Year Amortization	
			Balance	Payment	Balance	Payment
6/30/2022	2,892,544	227,754	2,892,544	307,022	2,892,544	398,134
6/30/2023	2,859,434	243,906	2,777,436	307,022	2,683,189	398,134
6/30/2024	2,807,295	261,094	2,654,270	307,022	2,459,179	398,134
6/30/2025	2,733,729	272,098	2,522,483	307,022	2,219,489	398,134
6/30/2026	2,643,630	282,536	2,381,471	307,022	1,963,020	398,134
6/30/2027	2,536,429	289,525	2,230,588	307,022	1,688,598	398,134
6/30/2028	2,414,492	296,705	2,069,143	307,021	1,394,967	398,134
6/30/2029	2,276,594	304,085	1,896,398	307,022	1,080,782	398,135
6/30/2030	2,121,407	311,666	1,711,560	307,021	744,603	398,135
6/30/2031	1,947,516	319,454	1,513,784	307,022	384,891	398,134
6/30/2032	1,753,395	315,647	1,302,163	307,021		
6/30/2033	1,549,626	311,414	1,075,729	307,021		
6/30/2034	1,335,972	302,330	833,445	307,022		
6/30/2035	1,116,758	287,826	574,200	307,021		
6/30/2036	897,202	262,515	296,809	307,022		
6/30/2037	688,459	164,736				
6/30/2038	566,248	148,130				
6/30/2039	452,658	135,545				
6/30/2040	344,136	127,567				
6/30/2041	236,267	98,819				
6/30/2042	150,587	73,124				
6/30/2043	85,489	57,787				
6/30/2044	31,697	29,375				
6/30/2045	3,530	3,651				
<b>Total</b>		<b>5,127,289</b>		<b>4,605,325</b>		<b>3,981,342</b>
<b>Interest Paid</b>		<b>2,234,745</b>		<b>1,712,781</b>		<b>1,088,798</b>
<b>Estimated Savings</b>				<b>521,964</b>		<b>1,145,947</b>

# Tools to Proactively Manage Pension Costs

## ADP (Additional Discretionary Payment)

- Makes up past underperformance
- Reduces pension UAL
- Catch up strategy
- Liquidity consideration

## CEPPT Sec 115 Trust

- Stabilizes future cash flow
- Improves future capacity to pay
- Catch up and keep up strategy

# Pension Contribution Investment Tools

Portfolios	CalPERS Pension	CEPPT Strategy 1	CEPPT Strategy 2	LAIF
Expected Return	6.8%	4.5%	3.5%	~1%
Risk	11.4%	8.8%	6.1%	Lowest
Time Horizon	Longest Term	Employer Determined		Shortest Term
Liquidity	No	Yes		Yes

# CEPPT Pension Employer Strategy Distribution

Strategy 1	Strategy 2	Concurrent Participation	Total
31	23	22	76



# Why Prefund Pension Contributions?

Grow assets for future pension contributions (Normal cost, UAL, ADP)

Earn higher than LAIF or County Treasury

Stabilize future budgets

Create rainy day fund

Preserve liquidity

# CEPPT Purpose #1 – Grow Your Pension Assets

## Prefund future pension costs in advance

- Normal Costs: FYE23: \$121,717 and increasing each year
- UAL Payment: FYE23: \$233,782 and increasing each year
- ADPs to reduce Pension UAL: \$2,956,262

## Take advantage of time and compounding interest

## Use this approach to dollar cost average ADPs

- Mitigate market timing and large single contribution risks

# 10 Year Compounding Interest Scenario

Investment Duration (Years)	1	2	3	4	5	6	7	8	9	10
Expected Compounded Annualized Rate of Investment Return	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%
Cumulative Expected Compounded Rate of Investment Return	4%	9%	14%	19%	25%	30%	36%	42%	49%	55%
Future Value of \$1	\$1.04	\$1.09	\$1.14	\$1.19	\$1.25	\$1.30	\$1.36	\$1.42	\$1.49	\$1.55
Required Investment Principal Contribution Needed to Generate \$1M	\$957K	\$916K	\$876K	\$839K	\$802K	\$768K	\$735K	\$703K	\$673K	\$644K

# Contribution Prefunding Scenario – Estimated Normal Cost

Fiscal Year	Normal Cost Contribution	Investment Duration (Years)											
		1	2	3	4	5	6	7	8	9	10	11	
2022-23	\$122K	\$116K											
2023-24	\$125K	\$120K	\$115K										
2024-25	\$129K	\$123K	\$118K	\$113K									
2025-26	\$132K	\$126K	\$121K	\$116K	\$111K								
2026-27	\$136K	\$130K	\$124K	\$119K	\$114K	\$109K							
2027-28	\$139K	\$133K	\$128K	\$122K	\$117K	\$112K	\$107K						
2028-29	\$143K	\$137K	\$131K	\$126K	\$120K	\$115K	\$110K	\$105K					
2029-30	\$147K	\$141K	\$135K	\$129K	\$123K	\$118K	\$113K	\$108K	\$103K				
2030-31	\$151K	\$145K	\$138K	\$133K	\$127K	\$121K	\$116K	\$111K	\$106K	\$102K			
2031-32	\$155K	\$149K	\$142K	\$136K	\$130K	\$125K	\$119K	\$114K	\$109K	\$105K	\$100K		
2032-33	\$160K	\$153K	\$146K	\$140K	\$134K	\$128K	\$123K	\$117K	\$112K	\$107K	\$103K	\$98K	

# CEPPT Purpose #2 – Rainy Day Fund

- Will likely outperform LAIF and earn more interest
- Will allow for greater budgetary stability

Plan	3 Months Pension Cost
Miscellaneous Plan	\$62,444
Miscellaneous Second Tier Plan	\$152
PEPRA Miscellaneous Plan	\$26,279
Total	\$88,875

# Uncomplicated Contracting Process



# Contracting Documents

**Governing Body**

Contract Agreement

Delegation of Authority  
to Request Disbursements

**Agency**

Funding Policy

# Next Steps

## Continue Pay-As-You-Go Option

- Most expensive approach
- Rely 100% on current & future operating budget
- Increasing pension costs may stress future budget

## Setup CEPPT Option

- ✓ Higher investment income than LAIF/Treasury
- ✓ Stabilize future cash flow & reduce budget dependency
- ✓ Rainy day fund
- ✓ Voluntary contributions & retain liquidity



# Questions? Where to Get Trust Fund Information?

Name	Title	E-mail	Desk	Mobile
Matt Goss	Outreach & Support Program Manager	<a href="mailto:Matthew.Goss@calpers.ca.gov">Matthew.Goss@calpers.ca.gov</a>	(916) 795-9071	(916) 382-6487
Karen Lookingbill	Outreach & Support Manager	<a href="mailto:Karen.Lookingbill@calpers.ca.gov">Karen.Lookingbill@calpers.ca.gov</a>	(916) 795-1387	(916) 501-2219
Jasper Jacobs	Outreach & Support Analyst	<a href="mailto:Jasper.Jacobs@calpers.ca.gov">Jasper.Jacobs@calpers.ca.gov</a>	(916) 795-0432	(916) 717-3886
Colleen Cain-Herrback	Administration & Reporting Program Manager	<a href="mailto:Colleen.Cain-Herrback@calpers.ca.gov">Colleen.Cain-Herrback@calpers.ca.gov</a>	(916) 795-2474	(916) 505-2506
Robert Sharp	Assistant Division Chief	<a href="mailto:Robert.Sharp@calpers.ca.gov">Robert.Sharp@calpers.ca.gov</a>	(916) 795-3878	(916) 397-0756

Program E-mail Addresses	Prefunding Programs Webpages
<a href="mailto:CERBT4U@calpers.ca.gov">CERBT4U@calpers.ca.gov</a> – Questions & Document Submittal	<a href="http://www.calpers.ca.gov/CERBT">www.calpers.ca.gov/CERBT</a>
<a href="mailto:CEPPT4U@calpers.ca.gov">CEPPT4U@calpers.ca.gov</a> – Questions & Document Submittal	<a href="http://www.calpers.ca.gov/CEPPT">www.calpers.ca.gov/CEPPT</a>
<a href="mailto:CERBTACCOUNT@calpers.ca.gov">CERBTACCOUNT@calpers.ca.gov</a> – Online Record Keeping System	



**BOARD OF LIBRARY TRUSTEES BUDGET COMMITTEE  
AGENDA ITEM V.B. REPORT FOR SEPTEMBER 2022 SPECIAL MEETING**

**REPORT:** Agenda Item V.b.

**MEETING DATE:** September 16, 2022

**PREPARED BY:** Nikki Winslow

**LOCATION:** Virtual Meeting

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**TITLE:** Staff Accountant Job Description

**BACKGROUND**

In the presently constricted job market, special districts have found that the cost of outsourcing accounting and finance functions is often less than the cost of a fully burdened staff member. The District seeks to hire a part-time staff accountant who would have a scope of work with an emphasis on payroll processing, CalPERS reporting, and performance of weekly accounts payable duties. Attached is the Staff Accountant job description that will need approval from the Board of Trustees before the District can post and fill the position.

**FISCAL IMPACT**

The cost of hiring the part-time Staff Accountant would be approximately \$25,000.00

**RECOMMENDATION**

Staff recommends that the Budget Committee review and recommend the approval of the new Staff Accountant Job Description to the Board of Trustees.

**Staff Accountant****DEFINITION**

Under general direction of the District Director, performs District payroll processing, CalPERS reporting, and assists with performance of weekly accounts payable duties. Performs a wide variety of complex analytical and administrative tasks; ensures compliance with relevant laws, standards, and District rules and regulations; provides complex and responsible support to the District Director in areas of expertise; and performs related work as required.

**SUPERVISION RECEIVED AND EXERCISED**

Receives general direction from the District Director.

**CLASS CHARACTERISTICS**

This is a fully qualified journey-level classification responsible for independently performing professional duties in support of the District's budgeting, financial, and accounting functions as well as administration of payroll. Positions at this level exercise judgment and initiative in their assigned tasks, receive only occasional instruction or assistance as new or unusual situations arise and are fully aware of the operating procedures and policies of the work unit.

**EXAMPLES OF TYPICAL JOB FUNCTIONS (Illustrative Only)**

*Management reserves the right to add, modify, change, or rescind the work assignments of different positions and to make reasonable accommodations so qualified employees can perform the essential functions of the job.*

- Assists with the collection and disbursement of revenues, petty cash and cash related transactions, refunds, bank deposits, bank transfers, and receipts; assists in reviewing, verifying, and processing District expenditures, including invoices, credit card bills, and procurement documents; assists in preparing, processing, printing, and forwarding payments to vendors; assists with researching and resolving vendor billing issues and payment discrepancies.
- Performs a variety of tasks in support of the District's accounting programs including accounts payable, accounts receivable, grant funding, compliance, and reporting, and general accounting; may originate and record journal entries; assists in maintaining general ledger; assists in maintaining a variety of financial schedules, records, and files; prepares supporting documentation and assists with independent annual audits.
- Alerts the District Director of any potential fiscal problem areas.
- Assists with administration of employee benefit programs, including insurance, paid leave, retirement, Social Security, open enrollments, Family and Medical Leave (FMLA) requests, and deferred compensation programs; assists in communication with benefit brokers regarding benefit products and insurance premiums;

Assists in processing payments for insurance, retirement, and deferred compensation benefits.

- Assists with administration of District payroll, which includes input and submission of payroll data into database, and disbursing paychecks. May record payroll entries into District's accounting system.
- Greets and assists internal and external customers in a friendly, prompt, and accessible manner; creates positive experiences for library patrons by effectively and efficiently performing job tasks; presents a positive image of the library in attitude, communications, and appearance while performing duties in both public and staff areas.
- Interprets complex rules, regulations, contracts, policies, and procedures; applies such interpretation in the performance of assigned responsibilities.
- Performs other duties as assigned.

## **QUALIFICATIONS**

### **Knowledge of:**

- Modern principles, practices, and methods of public and governmental accounting and financing, including budgeting, general accounting, auditing, financial reporting, and their application to District operations.
- Principles, practices, and procedures for processing payroll and purchasing functions.
- Applicable Federal, State, and local laws, regulatory codes, ordinances, and procedures relevant to assigned areas of responsibility.
- Complex mathematical and statistical techniques.
- Principles and practices of research, analysis, reporting methods, and data collection.
- Effective practices in evaluation and outcomes measurement.
- Principles and procedures of record keeping, document processing, and filing systems.
- District and mandated safety rules, regulations, and protocols.
- Techniques for providing a high level of customer service by effectively dealing with the public, vendors, contractors, and District staff.
- The structure and content of the English language, including the meaning and spelling of words, rules of composition, and grammar.
- Modern equipment and communication tools used for business functions and program, project, and task coordination, including computers and software programs relevant to work performed (ex: Quickbooks).

### **Ability to:**

- Perform a variety of professional finance, accounting, and payroll duties such as reviewing, analyzing, recording, and documenting a diverse range of financial transactions and verifying the accuracy of financial data.

- Maintain confidentiality of sensitive personal information of current and former employees and other matters affecting District financial and human resources administration.
- Prepare clear, complete, and concise statements and reports.
- Understand and analyze accounting, budgeting, and financial statements and reports.
- Prepare, review, and examine budget documents and reports; audit, reconcile, and balance bank statements.
- Analyze, post, balance, and reconcile financial ledgers, reports, and accounts; ensure proper authorization and documentation for disbursements and other financial transactions.
- Commit to the principles of intellectual freedom and equal access.
- Make accurate arithmetic, financial, and statistical computations.
- Understand, interpret, and apply all pertinent laws, codes, regulations, policies and procedures, and standards relevant to work performed.
- Use tact, initiative, prudence, and independent judgment within general policy, procedural, and legal guidelines.
- Establish and maintain a variety of filing, record keeping, and tracking systems.
- Organize and prioritize a variety of projects and multiple tasks in an effective and timely manner; organize own work, set priorities, and meet critical time deadlines.
- Effectively use computer systems, software applications relevant to work performed, and modern business equipment to perform a variety of work tasks.
- Communicate clearly and concisely, both orally and in writing, using appropriate English grammar and syntax.
- Establish, maintain, and foster positive and effective working relationships with those contacted in the course of work.

**Education and Experience:**

*Any combination of training and experience that would provide the required knowledge, skills, and abilities is qualifying. A typical way to obtain the required qualifications would be:*

Education:

- Equivalent to a bachelor's degree from an accredited college or university with major coursework in business administration, public administration, accounting, finance, or a related field.

Experience:

- One (1) year of professional experience in finance administration, accounting, or a related field.

**Licenses and Certifications:**

➤ None.

### **PHYSICAL DEMANDS**

Must possess mobility to work in a standard office setting and use standard office equipment, including a computer; vision to read printed materials and a computer screen; and hearing and speech to communicate in person and over the telephone. This is primarily a sedentary office classification although standing in work areas and walking between work areas may be required. Finger dexterity is needed to access, enter, and retrieve data using a computer keyboard or calculator and to operate standard office equipment. Positions in this classification occasionally bend, stoop, kneel, reach, push, and pull drawers open and closed to retrieve and file information. Employees must possess the ability to lift, carry, push, and pull materials and objects up to 25 pounds.

### **ENVIRONMENTAL CONDITIONS**

Employees work in an office environment with moderate noise levels, controlled temperature conditions, and no direct exposure to hazardous physical substances. Employees may encounter challenging interpersonal situations in the course of their work.

### **WORKING CONDITIONS**

Occasional evening and weekend work may be required as job duties demand.



**BOARD OF LIBRARY TRUSTEES  
ITEM V.C. STAFF REPORT FOR SEPTEMBER 2022**

**REPORT:** Agenda Item V.c.

**MEETING DATE:** September 16, 2022

**PREPARED BY:** Nikki Winslow

**LOCATION:** Virtual Zoom Meeting

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**TITLE:** RFP for Accounting and Financial Consulting Services

**BACKGROUND:**

During the summer of 2019 under Interim Director Cindy Cleary, the Business Manager position was drafted and approved by the Board of Trustees. This integrated the finance duties that the Staff Accountant had been performing with the human resources responsibilities that had been outsourced to an outside firm at the time. An internal candidate was promoted into the position in that summer as well. ALD did a Classification & Compensation Study in the spring of 2020 and the position was retitled Administrative Services Manager and placed in the appropriate salary range based on the market study of the position.

The staff member in that position resigned in June 2021. A recruitment was done to fill the position, and someone was hired in September 2021 as the Administrative Services Manager. Unfortunately, they did not work out and resigned in October 2021. At this time, a local CPA was hired to come in once a week to help pay bills and cut checks as needed. The District also expanded the work that our accounting firm performed to include journal entries, bank and account reconciliations, preparation of the financial statements, and other accounting duties formerly done by the Administrative Services Manager.

Director Winslow worked to create a new job description for an Office Manager, that the Board approved in November 2021, that reduced the scope of work to not include human resources duties, except timekeeping and payroll processing. The recruitment was posted in December 2021 and a candidate was identified and hired in March 2022. This staff member also resigned after four months with the District in July 2022.

Director Winslow brought an agenda item to the Board of Trustees at their July 25, 2022 meeting to expand the scope of services of the current accounting firm. The Board approved expanding services with our current firm for six months and also directed staff to bring a Request for Proposals for Accounting and Financial Consulting Services back to the Board as soon as possible.

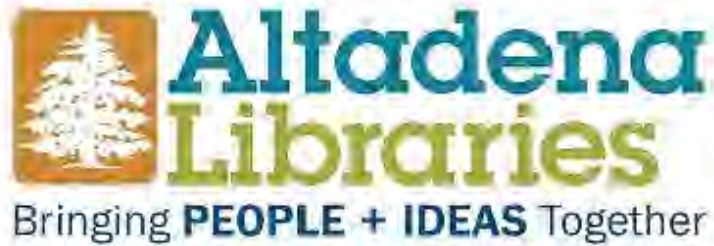
**FISCAL IMPACT:**

None

**RECOMMENDATION:**

Staff recommends that the Budget Committee review and recommend the approval of the Request for Proposals for Accounting and Financial Consulting Services to the Board of Trustees.





**REQUEST FOR PROPOSALS  
ACCOUNTING AND FINANCIAL  
CONSULTING SERVICES  
Altadena Library District**

**RFP ISSUE DATE**      **September 28, 2022**

**CONTACT**                      Nikki Winslow, District Director  
Email: [nwinslow@altadenalibrary.org](mailto:nwinslow@altadenalibrary.org)  
Phone Number: 626-798-0833 x 103

**PROPOSAL DUE**      **October 26, 2022 by 5:00 PM**

All proposals must be submitted at: <https://www.bidnetdirect.com/california/ald>.

**BID CONTENTS**

Section I	Purpose of Request for Proposals and General Terms and Conditions
Section II	Schedule of Events
Section III	Proposer Qualifications
Section IV	Scope of Work
Section V	Evaluation and Award Criteria
Section VI	Proposal Instructions, Format, and Submittal Requirements
Section VII	Cost Sheet

Attachment A    Professional Services Agreement Sample

Note: This bid does not constitute an order for the goods or services specified.

**SECTION I**  
**PURPOSE OF REQUEST FOR PROPOSAL**  
**AND GENERAL TERMS AND CONDITIONS**

**1.0 PURPOSE OF REQUEST FOR PROPOSAL (RFP)**

The Altadena Library District is seeking to establish a contract with one qualified vendor who will provide accounting and financial consulting services as described throughout this RFP. Our intent is to receive proposals from qualified vendors demonstrating the capability to provide the full scope of services to support the District's accounting, bookkeeping and financial reporting needs.

**1.1 QUESTIONS REGARDING THE RFP**

Any questions, interpretations or clarifications, either administrative or technical, about this RFP must be requested in writing prior to the date indicated in Section II. All pertinent questions will be answered in writing and conveyed to all Proposers. Oral statements concerning the meaning or intent of the contents of this RFP by any person is unauthorized and invalid. **All questions either technical, commercial or contractual in nature shall be directed to: Nikki Winslow, Altadena Library District Director at [nwinslow@altadenalibrary.org](mailto:nwinslow@altadenalibrary.org).**

**1.2 ERRORS AND OMISSIONS**

If a Proposer discovers any ambiguity, conflict, discrepancy, omission or other error in the RFP or any of its attachments, they shall immediately notify Altadena Library District of such error in writing and request modification or clarification of the document. Modifications will be made by addenda. Clarifications will be given by written notice to all parties who have been furnished or who have requested an RFP for proposing purposes, without divulging the source of the request for same.

If a Proposer fails to notify Altadena Library District prior to the date fixed for submission of proposals of an error in the RFP known to them, or an error that reasonably should have been known to them, and if awarded the contract, the Proposer will not be entitled to additional compensation or time by reason of the error or its later correction.

**1.3 ADDENDA**

The Altadena Library District may modify this RFP, any of its key action dates, or any of its attachments. Addenda will be numbered consecutively as a suffix to the RFP Reference Number. It is the Proposer's responsibility to ensure they have incorporated all addenda. Failure to acknowledge and incorporate addenda will not relieve the Proposer of the responsibility to meet all terms and conditions of the RFP and any subsequent addenda.

**1.4 SUBMISSION OF PROPOSAL**

Proposals will be accepted on or before the date and time indicated in the Schedule of Events, Section II, in accordance with Section VI, Proposal Instructions and Format.

**1.5 PROPOSER'S COST**

Costs for developing proposals are entirely the responsibility of the Proposer and shall not be chargeable to the Altadena Library District.

**1.6 EXCEPTIONS**

If a Bidder takes exception to any part of these specifications as written, or as amended by any addenda subsequently issued, or the Agreement, they must do so in writing. Said exceptions must be submitted with the proposal. Failure to do so will be construed as acceptance of all items of the specification and the Agreement.

**1.7 DELIVERY OF PROPOSALS**

All proposals must be submitted at: <https://www.bidnetdirect.com/california/ald> by not later than **October 26, 2022 at 5:00pm**. The Altadena Library District assumes no responsibility for delay in delivery. LATE PROPOSALS WILL NOT BE ACCEPTED.

**1.8 PROPOSALS BECOME THE PROPERTY OF ALTADENA LIBRARY DISTRICT**

Proposals become the property of Altadena Library District and information contained therein shall become public property subject to disclosure laws after Notice of Intent to Award. Altadena Library District reserves the right to make use of any information or ideas contained in the proposal.

**1.9 CONFIDENTIAL MATERIAL**

Proposer must notify Altadena Library District in advance of any proprietary or confidential material contained in the proposal and provide justification for not making such material public. Altadena Library District shall have sole discretion to disclose or not disclose such material subject to any protective order which Proposer may obtain.

**1.10 REJECTION OF PROPOSALS**

Altadena Library District may reject any or all proposals and may waive any deviation in a proposal. Altadena Library District's waiver of a defect shall in no way modify the RFP documents or excuse the Proposer from full compliance with the specifications if they are awarded the contract. Proposals referring to terms and conditions other than Altadena Library District's terms and conditions may be rejected as being non-responsive.

Altadena Library District may make investigations as deemed necessary to determine the ability of the Proposer to perform the work, and the Proposer shall furnish to Altadena Library District all such information and data for this purpose as requested by Altadena Library District. Altadena Library District reserves the right to reject any proposal if the evidence submitted by, or investigation of, such Proposer fails to satisfy Altadena Library District that such Proposer is properly qualified to carry out the obligations of the contract and to complete the work specified.

**1.11 CANCELLATION**

This solicitation does not obligate the Altadena Library District to enter into an agreement. Altadena Library District retains the right to cancel this RFP at any time. No obligation, either expressed or implied, exists on the part of the Altadena Library District to make an award or to pay any cost incurred in the preparation or submission of a proposal.

### 1.12 **INSURANCE REQUIREMENTS**

The Altadena Library District requires a certificate of insurance prior to commencement of any work. An underwriter's endorsement is also required with additional insured verbiage.

**Commercial General Liability (CGL):** Insurance written on an occurrence basis to protect Proposer and the Altadena Library District against liability or claims of liability which may arise out of this order in the amount of One million (\$1,000,000) per occurrence and subject to an annual aggregate of One million (\$1,000,000). There shall be no endorsement or modification of the CGL limiting the scope of coverage for either insured vs. insured claims or contractual liability. All defense costs shall be outside the limits of the policy.

**Vehicle Liability Insurance:** Proposer shall also procure and shall maintain during the term of this order vehicle liability insurance in an amount not less than \$1,000,000 for injuries, including accidental death, to any one person, and subject to the same minimum for each person, in an amount not less than \$1,000,000 for each accident, and property damage insurance in an amount of not less than \$1,000,000.

**Workers' Compensation Insurance:** For all of Proposer's employees who are subject to this order and to the extent required by applicable state or federal law, Proposer's shall keep in full force and effect a Workers' Compensation policy. That policy shall provide a minimum of One million (\$1,000,000) of employers' liability coverage, and Proposer shall provide an endorsement that the insurer waives the right of subrogation against the Altadena Library District and its respective elected officials, officers, employees, agents and representatives. In the event a claim under the provisions of the California Workers' Compensation Act is filed against the Altadena Library District by a bona fide employee of Proposer participating under this Agreement, Proposer agrees to defend and indemnify the Altadena Library District from such claim.

**Professional Liability:** For all of Proposer's employees who are subject to this order, Proposer shall keep in full force and effect Professional Liability coverage for professional liability with a limit of One Million (\$1,000,000) per claim and One Million (\$1,000,000) annual aggregate. Proposer shall ensure both that: (1) the policy retroactive date is on or before the date of commencement of the services under the Agreement; and (2) the policy will be maintained in force for a period of time defined above, there will be no changes or endorsements to the policy that increase the District's exposure to loss.

### 1.13 **DISPUTES/PROTESTS**

The Altadena Library District encourages Proposers to resolve issues regarding the requirements or the procurement process through written correspondence and discussions during the period in which clarifying addenda may be issued. The Altadena Library District wishes to foster cooperative relationships and to reach a fair agreement in a timely manner.

Proposers filing a protest must do so within five (5) calendar days after Notice of Intent to Award. The protesting Proposer shall submit a full and complete written statement detailing the facts in support of the protest. Protest must be sent by certified or registered mail or delivered in person to the District Director, or designee.

The Altadena Library District will provide a decision on the matter. The decision must be in writing and sent by certified or registered mail, faxed, or delivered in person to the protesting Proposer. The decision of Altadena Library District is final.

**1.14 AWARD CRITERIA**

Award, if any, will be to the Proposer whose proposal, in the sole discretion of the Altadena Library District, will best meet the needs of the Altadena Library District. Evaluation methodology and basis for award are described in Section V – Evaluation and Award Criteria.

**1.15 TERM OF THE AGREEMENT**

The period of services shall be three years with the option to renew for two additional, one year periods. Annual renewals shall be automatic and based on satisfactory performance of service and unless terminated by either party with thirty (30) days written notice prior to the expiration of each annual renewal. In addition, the District shall have the right to terminate for convenience upon (90) days written notice.

**1.16 CONTRACTUAL DOCUMENTS**

In the event of a conflict between documents the following order of precedence shall apply:

1. Altadena Library District Agreement
2. Altadena Library District Request for Proposal
3. Proposer's Proposal

**1.17 EXECUTION OF THE AGREEMENT**

The Agreement shall be signed by the Proposer and returned, along with the required attachments to the Altadena Library District within 10 working days. The period for execution may be changed by mutual agreement of the parties. Agreements are not effective until approved by the appropriate Altadena Library District officials. Any work performed prior to receipt of a fully executed Agreement shall be at Proposer's own risk.

**1.18 FAILURE TO EXECUTE THE AGREEMENT**

Failure to execute the Agreement within the time frame identified above shall be sufficient cause for voiding the award. Failure to comply with other requirements within the set time shall constitute failure to execute the Agreement. If the successful Proposer refuses or fails to execute the Agreement, the Altadena Library District may award the Agreement to another Proposer.

**1.19 NON-ENDORSEMENT**

If a proposal is accepted, the Proposer shall not issue any news releases or other statements pertaining to the award or servicing of the agreement which state or imply Altadena Library District endorsement of Proposer's services.

**1.20 CONFLICT OF INTEREST**

The District may require a Statement of Economic Interests (Form 700) to be filed by any proposer who is involved in the making, or participation in the making, of decisions which may foreseeably have a material effect on any District financial interest [reference Government Code § 82019].

The District reserves the right to prohibit participation by the proposer in submitting a proposal for or providing services, goods or supplies, or any other related action, which is required, suggested or otherwise deemed appropriate in the end product of this contract.

**SECTION II  
SCHEDULE OF EVENTS**

Release of Request for Proposal	September 28, 2022
Last Day for Submission of Questions	October 12, 2022 by 5:00pm
District Response to Questions	October 14, 2022
Deadline for Receipt of Proposals	October 26, 2022 by 5:00pm
Evaluation	October 31-November 4, 2022
Optional Interview if Required	November 8, 2022
Selection presented to Board of Trustees	November 28, 2022
Tentative Start Date	December 1, 2022

\*NOTE: The dates subsequent to receipt of proposal may be adjusted without further notice.

**SECTION III  
PROPOSER QUALIFICATIONS**

- 3.0** In addition to meeting all other requirements of this RFP, all responding Proposers shall furnish verifiable evidence that their firm and personnel, at a minimum, meet the following qualifications.
- a.** Proposer must have at least one Certified Public Accountant with an active California Board of Accountancy license.
  - b.** Proposer must provide a list of other governmental agencies in California for which the firm is presently providing similar services. The District reserves the right to contact any or all of the listed agencies regarding the accounting and financial consulting services performed by Proposer.
  - c.** Proposer must have a Certified Payroll Provider with knowledge of the Internal Revenue Services Taxation laws and California Employment Development Department laws.
  - d.** Proposer must have experience implementing Government Accounting Standards Board (GASB) pronouncements and compliance.
  - e.** Proposer must have experience reporting both employee retirement and health information to the California Public Employee Retirement System (CalPERS).

## **SECTION IV SCOPE OF WORK**

### **4.0 THE COMMUNITY**

Altadena Library District (the District) is a small public agency organized under the Education Code of the State of California. A California Special District, The District is a public library system that operates two libraries serving the approximately 43,000 residents of Altadena. The District collaborates with its community to create environments for learning and inspiration, serves as a community center, and brings residents together to share the unique history of Altadena and the San Gabriel Valley.

### **4.1 SCOPE OF WORK**

The scope of services is to provide accounting and finance consulting services in an ongoing basis. Services, although not all-inclusive, may include:

- a. Preparation of the annual budget, including meetings with District staff and Board of Directors that may be required by the District.
- b. Preparation of 10 years cash flow projections during each budget cycle.
- c. Assistance with mid-year budget review if requested, including meetings with District staff and the Board of Directors that may be required by the District.
- d. Year-end closing of the District's accounting books and records in accordance with Generally Accepted Accounting Principles to prepare for the annual audit.
- e. Preparation of year-end and/or interim schedules that may be required by the District's independent auditors.
- f. Coordinate annual financial statement audit and interim fieldwork.
- g. Presence at the District's offices while the District's independent auditors are performing on-site year-end field work.
- h. Monthly analysis and reconciliation of the District's General Ledger balance sheet accounts and bank accounts to ensure up-to-date and accurate accounting records are reported to District Management.
- i. Prepare journal entries needed to close the District books each month, including, but not limited to payroll entries, cash debit and credit entries, accruals, and reclassifications.
- j. Track spending of the CFD bond proceeds and reconcile to US Bank each month. Provide separate accounting for management review.
- k. Create separate classes for grants and other cost centers and reconcile back to supporting documents.
- l. Preparation of monthly financial statements (Budget to Actual, Balance Sheet).
- m. Review the W-9s and prepare 1099s in January each year.
- n. Prepare the State Government Compensation in California Report on an annual basis.
- o. Prepare the OPEB trust reporting reports as needed.
- p. Review of the State Financial Transactions Report and Audited Financial



Statements (prepared by the auditor) on an annual basis.

- q. Periodic implementation, review and monitoring of the District's internal controls and accounting/financial control structure.
- r. Attendance at any Finance Committee or Board meetings as needed.
- s. Advisory and implementation of best practices based on vast experience with other government agencies.
- t. Train staff as needed on financial/accounting related processes.
- u. Assist staff with payroll, employment taxation, and PERS reporting as needed.

#### 4.2 **MEETINGS**

Consultant will attend meetings requested by and or approved by the District on an hourly basis with an estimated ten (10) hours at the principal rate.

**4.3 PAYMENT OF INVOICE**

Payment shall be made monthly upon the receipt and acceptance of an invoice and a detailed time log of work performed. The time log shall indicate the on-site and off-site service hours performed by date, deliverable and the name of the individual performing the services. The Proposer shall not be reimbursed for any travel or per diem expenses. All other expenses shall be approved by the District before they are incurred.

## SECTION V EVALUATION AND AWARD CRITERIA

### 5.0 **EVALUATION METHOD**

All proposals shall be reviewed to verify that the Proposer has met the minimum requirements. Proposals that have not complied with requirements, do not meet minimum content and quality standards, or take unacceptable exceptions to the General Terms and Conditions, may be eliminated from further consideration. Proposals will be reviewed and evaluated by an evaluation committee comprised of Altadena Library District personnel. Award will be made in the best interest of the Altadena Library District.

### 5.1 **EVALUATION CRITERIA**

Evaluation and award will be based on factors that are not limited to acquisition cost. These factors may include, but are not limited to:

- a. Experience/Past Performance/References** - Consideration will be given based upon the firm's experience, years in business, past and current client references; technical expertise and professional competence in areas directly related to this RFP; number of years of experience in performing similar work in performing accounting and financial consulting services. Proposer shall include five (5) external client references from clients who received similar services to those proposed for this solicitation.
- b. Personnel** - Proposer shall submit resumes of all primary professional staff members who will be performing services under the contract. Proposer should demonstrate that all key personnel have been successfully involved with projects of similar scope and magnitude.
- c. Proposer Qualifications** - This category will evaluate the proposer's ability to take upon itself the responsibilities set forth in the Scope of Work and produce the required outcome in a timely manner. Consideration will be given for the overall quality of the proposal, including a demonstrated understanding of the purpose, scope and objective of the services to be performed. It is the intention of the Altadena Library District to award a contract to the Proposer who furnishes satisfactory evidence that the Proposer has the requisite experience and ability to enable the Proposer to execute the work successfully and properly, and to complete services in a timely manner. To determine the degree of responsibility to be credited to the Proposer, the Altadena Library District will weigh the evidence that the Proposer has performed satisfactorily other contracts of like nature, magnitude and comparable difficulty and comparable rates of progress.
- d. Total Cost** - As reflected herein, contract award will not be based solely on price, but on a combination of factors as determined to be in the best interest of the District. After evaluating the proposals and discussing them further with the finalists or the tentatively selected Proposer, the District reserves the right to further negotiate the proposed work and/or method and amount of compensation.

- e. Non-Discrimination** - The Altadena Library District hereby notifies all proposers that it will affirmatively ensure that minority, women-owned and local business enterprises will be afforded full opportunity and consideration when submitting proposals in response to this invitation when reviewing the plans for award of contract. The District does not discriminate in regard to actual or perceived characteristic of race, color, ancestry, national origin, ethnicity, religion, sex, sexual orientation, gender, gender identity or expression, age, physical or mental disability, medical condition, marital status, citizenship status, military or veteran status, or other bases protected by state or federal law.
- f. Optional Interview** - in the event the District decides that interviews are necessary, Proposers who are finalists will be notified as promptly as possible. Each interview will consist of either an in-person or virtual presentation of no longer than one (1) hour. Notice of confirmation of the interview date/time will be given by telephone or in writing.

**SECTION VI  
PROPOSAL INSTRUCTIONS AND FORMAT**

**6.0 INTRODUCTION**

To be considered responsive to this RFP, Proposer must submit proposals in the format identified in this section. All requirements and questions in the RFP must be addressed and all requested data must be supplied. The Altadena Library District reserves the right to request additional information that, in District's opinion, is necessary to assure that the Proposer's competence, number of qualified employees, business organization, and financial resources are adequate to perform according to contract.

**6.1 DELIVERY OF PROPOSALS**

The Proposer must submit their proposal through the online portal at: <https://www.bidnetdirect.com/california/ald> by the established deadline.

**6.2 PREPARATION**

Proposals should be prepared in such a way as to provide a straightforward, concise delineation of capabilities to satisfy the requirements of this RFP. Responses should emphasize the Proposer's demonstrated capability to perform work of this type.

**6.3 PROPOSAL FORMAT**

Proposals shall adhere to the following format for organization and content. Proposals must be divided into the individual sections listed below, indexed, and tabbed.

- a. Cover Letter** - The cover letter shall include a statement of intent to perform the services and confirm that all elements of the RFP have been reviewed and understood. The letter should include a brief summary of Proposers' qualifications and Proposers' willingness to enter into a contract under the terms and conditions prescribed by the Altadena Library District Professional Services Agreement. Any and all exceptions to the RFP must be listed on an item by- item basis and cross-referenced with the RFP document. If there are no exceptions, Proposer must expressly state that no exceptions are taken. The letter should be signed by an individual who can bind the Proposer contractually.
- b. Table of Contents** - The table of contents shall identify the contents of the proposal in a format consistent with the proposal requirements and format set forth herein.

## **6.4 PROPOSAL CONTENT**

### **a. SECTION I – EXPERIENCE**

This section shall contain a general overview of the proposer's qualifications and shall include, but not be limited to, the following information:

- 1) Company name, address, telephone number, and authorized representative(s).
- 2) Identify the number of years of experience in providing accounting and financial consulting services, similar in size and scope to that requested in the RFP.
- 3) Proposer References: Provide five (5) client references for which the proposer has provided similar services. References shall include date and description of service, project location, completion dates, organization's name, contact person, title, address, and telephone number.
- 4) Proposer shall describe the role of the accounting and financial consulting services department in the firm and attach a copy of the firm's relevant filings, licenses or certifications as needed.
- 5) List all disciplinary actions, administrative proceedings, malpractice claims or other like proceedings against your firm or any of its personnel relating to your firm's services as accounting and financial consulting services, whether current, pending, or occurring in the last five (5) years. Please indicate disposition of each claim.

### **b. SECTION II – PERSONNEL**

Proposer shall provide the names, proposed roles, background and experience, office location and availability of personnel that would work on the District's account, and specifically identify the primary person(s) who will be responsible for managing the relationship with the District. Identify who will provide any computer financial analysis services.

### **c. SECTION III – QUALIFICATIONS**

Proposer shall provide a clear understanding of the services required by the District in response to Section IV - Scope of Work. Does the Proposer have the character, integrity, reputation, judgment, experience, and efficiency required by the contract? Has the Proposer performed satisfactorily in previous contracts of similar size and scope, or otherwise demonstrated its capability to perform the contract the District seeks to establish through this RFP?

### **d. SECTION IV – COST SECTION**

Proposer is expected to quote a firm, fixed, fully-loaded monthly rate for the services identified in Section IV Scope of Work. All costs associated with the services of this contract must be identified on the Cost Sheet (Section VII). The monthly rate will include travel to and from the off-site workplace to the on-site workplace. Additionally, include a fee schedule for possible additional services. The completed Cost Sheet shall be signed and submitted.

**SECTION VII  
COST SHEET**

**7.0 INTRODUCTION**

Proposer shall complete cost sheet to include all costs, including travel and per diem in accordance with the Scope of Work defined in Section IV. Proposer will submit detailed cost sheets on reimbursable costs, as back up to this summary page; however, total costs must be reflected on this summary page.

**Proposer shall also include a Fee Schedule for additional services that may be requested.**

**7.1 COST FOR SCOPE OF WORK. SECTION IV**

**a. Monthly Fee Schedule For Project/Service For Term Of Contract**

1 <sup>st</sup> Year	2 <sup>nd</sup> Year	3 <sup>rd</sup> Year

**b. Identify hourly rates for key personnel for additional services, including a not to exceed cap.**

This proposal submitted by: \_\_\_\_\_  
Company Name

Address: \_\_\_\_\_

Telephone Number: \_\_\_\_\_

Fax Number: \_\_\_\_\_

Business License Number: \_\_\_\_\_

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

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

## ATTACHMENT A

### PROFESSIONAL SERVICES AGREEMENT **SAMPLE**

**THIS PROFESSIONAL SERVICES AGREEMENT** (“Agreement”) is made and entered into this day of \_\_\_\_\_ 202\_, (the “Effective Date”) by and between the Altadena Library District, a California Public Utilities District (“District”), and \_\_\_\_\_ (“Consultant”). District and Consultant may herein be referred to individually as a “Party” and collectively as the “Parties.”

#### RECITALS

- A. District has determined that consultant services are required for \_\_\_\_\_ (the “Project”).
- B. Consultant has submitted a proposal to District that includes a scope of proposed consultant services, attached hereto and incorporated herein by this reference, and described more fully in **Exhibit A** (“Services”).
- C. Consultant represents that it is qualified, willing and able to provide the Services to District, and that it will perform Services related to the Project according to the rate schedule included in the scope of proposed consultant services attached hereto and incorporated herein as **Exhibit B** (the “Rates”).

**NOW, THEREFORE**, in consideration of the mutual promises and covenants set forth below, the sufficiency of which is mutually acknowledged, the Parties agree as follows:

#### AGREEMENT

**1. Recitals.** The recitals set forth above (“Recitals”) are true and correct and are hereby incorporated into and made part of this Agreement by this reference. In the event of any inconsistency between the Recitals and Sections 1 through 20 of this Agreement, Section 1 through 20 shall prevail.

**2. Consulting Services.** Consultant agrees, during the term of this Agreement, to perform the Services for District in connection with the Project. Any request for services in addition to the Services described in **Exhibit A** will be considered a request for additional consulting services and not compensated unless the Parties otherwise agree in writing. No subcontract shall be awarded or an outside consultant engaged by Consultant unless prior written approval is obtained from District.

**3. Compensation.** District shall pay Consultant according to the fee schedule set forth in **Exhibit B** for a time and materials cost not to exceed \_\_\_\_\_, as full remuneration for the performance of the Services. Consultant agrees to maintain a log of time spent in connection with performing the Services. On a monthly basis, Consultant shall provide District, in reasonable and understandable detail, a description of the Services rendered pursuant to the Agreement and in accordance with the Rates. If the work is satisfactorily completed, District shall pay such invoice within thirty (30) days of its receipt. If District disputes any portion of any invoice, District shall pay the undisputed portion within the time stated above, and at the same time advise Consultant in writing of the disputed portion.



**4. Additional Work and Compensation.** Any additional services approved and performed pursuant to this Agreement shall be designated as “Additional Services” and shall identify the number of the authorized change order, where applicable, on all invoices. If changes in the work seem merited by Consultant or the District, and informal consultations with the other Party indicate that a change is warranted, it shall be processed in the following manner: a letter outlining the changes shall be forwarded to the District by Consultant with a statement of estimated changes in fee or time schedule. An amendment to this Agreement shall be prepared by the District and executed by both Parties before performance of such services, or the District will not be required to pay for the changes in the scope of work. Such amendment shall not render ineffective or invalidate unaffected portions of this Agreement.

**5. Term.** This Agreement shall become effective on the Effective Date and will continue in effect for five (5) years, unless terminated earlier as provided in Section 6 or 7 below (the “Term”).

**6. Termination.** District may terminate this Agreement prior to the expiration of the Term (“Termination”), without cause or reason, by providing Consultant fourteen (14) days’ notice in writing of District’s desire to terminate this Agreement (the “Termination Notice”). Upon receipt of a Termination Notice, Consultant shall immediately cease performing the Services. Consultant will be entitled to compensation, as of the date Consultant receives the Termination Notice, only for Services actually performed.

**7. Termination for Cause.** Notwithstanding Section 6 above, this Agreement may be terminated by District for cause based on the loss or suspension of any licenses, permits or registrations required for the continued provision of the Services, or Consultant’s malfeasance. Termination of the Agreement for cause as set forth in this Section shall relieve District from compensating Consultant.

**8. Confidential Information.** Consultant understands and agrees that, in the performance of Services under this Agreement or in the contemplation thereof, Consultant may have access to private or confidential information that may be owned or controlled by District and that such information may contain proprietary or confidential details, the disclosure of which to third parties may be damaging to District (“Confidential Information”).

Consultant shall not, unless required by law, either during or after the Term, disclose to any third party any Confidential Information without the prior written consent of District. If District gives Consultant written authorization to make any such disclosure, Consultant shall do so only within the limits and to the extent of that authorization. Such authorization does not guarantee that the District will grant any further disclosure of Confidential Information. Consultant may be directed or advised by the District’s General Counsel on various matters relating to the performance of the Services on the Project or on other matters pertaining to the Project, and in such event, Consultant agrees that it will treat all communications between the District’s General Counsel and itself, its employees and its subcontractors as Confidential Information and subject to the restrictions of this Section.

**9. Performance by Key Employee.** Consultant has represented to District that \_\_\_\_\_ (“Key Employee”) will be the person primarily responsible for the performance of the Services and all communications related to the Services. District has entered into this

Agreement in reliance on that representation by Consultant. The Key Employee shall not be removed from the Project or reassigned without the prior written consent of the District.

**10. Property of District.** The following will be considered and will remain the property of District:

A. **Documents.** All reports, drawings, graphics, working papers and Confidential Information furnished by District in connection with the Services (“Documents”).

Nothing herein shall be interpreted as prohibiting or limiting District’s right to assign all or some of District’s interests in the Documents.

B. **Data.** All data collected by Consultant and produced in connection with the Services including, but not limited to, drawings, plans, specifications, models, flow diagrams, visual aids, calculations, and other materials (“Data”). Nothing herein shall be interpreted as prohibiting or limiting District’s right to assign all or some of District’s interests in the Data.

C. **Delivery of Documents and Data.** Consultant agrees, at its expense and in a timely manner, to return to District all Documents and Data upon the conclusion of the Term or in the event of Termination.

**11. Work Product and Intellectual Property Rights.** Consultant agrees, warrants and represents to District as follows:

A. That upon termination of this Agreement, Consultant assigns to District all intellectual property rights which may arise or have arisen from Consultant’s performance of services to District. In addition, Consultant grants District a perpetual, irrevocable, royalty-free license to the intellectual property Consultant has been contracted to create, compose, write, sketch, draw or design for District.

B. In exchange for the compensation paid under this Agreement, all works created, composed, written, sketched, drawn, or designed by Consultant under this Agreement (hereafter “Work Product”) or in previous services to District shall be owned by District.

C. Consultant will relinquish to District all original or derivative materials in all media created by Consultant pursuant to Consultant’s service to District and agrees that the fee paid includes the intellectual property and other rights to the materials as specified in this subsection.

D. All Work Product produced by Consultant pursuant to this Agreement, except documents which are required to be filed with public agencies or which have been made available without copyright in the public domain by District, shall be deemed solely the property of District. Consultant will take such steps as are necessary to perfect or protect the ownership interest of District in such Work Product. Upon completion, expiration, or termination of this Agreement, Consultant shall turn over to District all such original Work Product in Consultant’s possession or control.

E. Consultant shall be entitled to rely upon the accuracy and completeness of the information provided by District and its agents.

F. Consultant will be entitled to use documentation or representations of work undertaken for District for Consultant's own business purposes, including publication or marketing.

**12. Duties of District.** In order to permit Consultant to render the Services required hereunder, District shall, at its expense and in a timely manner:

A. Provide such information as Consultant may reasonably require to undertake or perform the Services;

B. Promptly review any and all documents and materials submitted to District by Consultant in order to avoid unreasonable delays in Consultant's performance of the Services; and

C. Promptly notify Consultant of any fault or defect in the performance of Consultant's Services hereunder.

**13. Representations of Consultant.** District relies upon the following representations by Consultant in entering into this Agreement:

A. **Qualifications.** Consultant represents that it is qualified to perform the Services and that it possesses the necessary licenses, permits and registrations required to perform the Services or will obtain such licenses or permits prior to the time such licenses or permits are required. Consultant represents and warrants to District that Consultant shall, at Consultant's sole cost and expense, keep in effect or obtain at all times during the Term of this Agreement, any licenses, permits, and registrations that are legally required for Consultant to practice Consultant's profession at the time the Services are rendered.

B. **Consultant Performance.** Consultant represents and warrants that all Services under this Agreement shall be performed in a professional manner and shall conform to the customs and standards of practice observed on similar, successfully completed projects by specialists in the Services to be provided. Consultant shall adhere to accepted professional standards as set forth by relevant professional associations and shall perform all Services required under this Agreement in a manner consistent with generally accepted professional customs, procedures and standards for such Services. All work or products completed by Consultant shall be completed using the best practices available for the profession and shall be free from any defects. Consultant agrees that, if a Service is not so performed, in addition to all of its obligations under this Agreement and at law, Consultant shall re-perform or replace unsatisfactory Service at no additional expense to District.

**14. Compliance with Laws and Standards.** Consultant shall insure compliance with all applicable federal, state, and local laws, ordinances, regulations and permits, including but not limited to federal, state, and county safety and health regulations. Consultant shall perform all work according to generally accepted standards within the industry. Consultant shall comply with

all ordinances, laws, orders, rules, and regulations, including the administrative policies and guidelines of District pertaining to the work.

**15. Independent Contractor; Subcontracting.** Consultant will employ, at its own expense, all personnel reasonably necessary to perform the Services. All acts of Consultant, its agents, officers, employees and all others acting on behalf of Consultant relating to this Agreement will be performed as independent contractors. Consultant, its agents and employees will represent and conduct themselves as independent contractors and not as employees of District. Consultant has no authority to bind or incur any obligation on behalf of District. Except as District may specify in writing, Consultant shall have no authority, express or implied, to act on behalf of District in any capacity whatsoever as an agent. Consultant shall have no authority, express or implied, pursuant to this Agreement to bind District to any obligation whatsoever. Consultant is prohibited from subcontracting this Agreement or any part of it unless such subcontracting is expressly approved by District in writing.

**16. Insurance.** Consultant and all of Consultant's contractors and subcontractors shall obtain and maintain insurance of the types and in the amounts described in this paragraph and its subparagraphs with carriers reasonably satisfactory to District.

A. **General Liability Insurance.** Consultant shall maintain occurrence version commercial general liability insurance or an equivalent form with a limit of not less than Two Million Dollars (\$2,000,000) per claim and Two Million Dollars (\$2,000,000) for each occurrence.

B. **Workers' Compensation Insurance.** Consultant shall carry workers' compensation insurance as required by the State of California under the Labor Code. Consultant shall also carry employer's liability insurance in the amount of One Million Dollars (\$1,000,000.00) per accident, with a One Million Dollar (\$1,000,000.00) policy limit for bodily injury by disease, and a One Million Dollar (\$1,000,000.00) limit for each employee's bodily injury by disease.

C. **Automobile Insurance.** Consultant shall carry automobile insurance for the vehicle(s) Consultant uses in connection with the performance of this Agreement in the amount of One Million Dollars (\$1,000,000.00) per occurrence for bodily injury and property damage.

D. **Errors and Omissions Liability.** Consultant shall carry errors and omissions liability insurance in the amount of no less than One Million Dollars (\$1,000,000.00) per occurrence or greater if appropriate for the Consultant's profession. Architects and engineers' coverage is to be endorsed to include contractual liability. Any deductibles or self-insured retentions must be declared to and approved by the District. At the option of the District, either the insurer shall reduce or eliminate such deductibles or self-insured retentions with respect to the District, elected and appointed councils, commissions, directors, officers, employees, agents, and representatives ("District's Agents"); or the Consultant shall provide a financial guarantee satisfactory to the District guaranteeing payment of losses and related investigations, claims administration and defense expenses.

E. **Other Insurance Requirements.** Within five (5) days of the Effective Date, Consultant shall provide District with certificates of insurance for all of the policies required under this Agreement (“Certificates”), excluding the required worker’s compensation insurance. Such Certificates shall be kept current for the Term of the Agreement and Consultant shall be responsible for providing updated copies and notifying District if a policy is cancelled, suspended, reduced, or voided. With the exception of the worker’s compensation insurance, all of the insurance policies required in this Agreement shall: (a) provide that the policy will not be cancelled, allowed to expire, or materially reduced in coverage without at least thirty (30) days’ prior written notice to District of such cancellation, expiration, or reduction and each policy shall be endorsed to state such; (b) name District, and District’s Agents as additional insureds with respect to liability arising out of Services, work or operations performed by or on behalf of the Consultant; products and completed operations of the Consultant; premises owned, occupied, or used by the Consultant, or automobiles owned, leased, or hired or borrowed by the Consultant. The coverage shall contain no special limitations on the scope of protection afforded to the District; (c) be primary with respect to any insurance or self-insurance programs covering District or District’s Agents and any insurance or self-insurance maintained by District or District’s Agents shall be in excess of Consultant’s insurance and shall not contribute to it; (d) contain standard separation of insured provisions; and (e) state that any failure to comply with reporting or other provisions of the policy including breaches of warranties shall not affect the coverage provided to the District.

**17. Indemnification.** To the fullest extent permitted by law, Consultant shall defend (with counsel reasonably approved by the District), indemnify and hold the District, its elected and appointed officials, officers, employees, agents, and authorized volunteers free and harmless from any and all claims, demands, causes of action, suits, actions, proceedings, costs, expenses, liability, judgments, awards, decrees, settlements, loss, damage or injury of any kind, in law or equity, to property or persons, including wrongful death, (collectively, “Claims”) in any manner arising out of, pertaining to, or incident to any alleged acts, errors or omissions, or willful misconduct of Consultant, its officials, officers, employees, subcontractors, consultants or agents in connection with the performance of the Consultant’s Services, the Project, or this Agreement, including without limitation the payment of all damages, expert witness fees, attorneys’ fees and other related costs and expenses. This indemnification clause excludes Claims arising from the sole negligence or willful misconduct of the District. Consultant’s obligation to indemnify shall not be restricted to insurance proceeds, if any, received by the District, the Board of Trustees, members of the Board of Trustees, its employees, or authorized volunteers. Consultant’s indemnification obligation shall survive the expiration or earlier termination of this Agreement.

If Consultant’s obligation to defend, indemnify, and/or hold harmless arises out of Consultant’s performance as a “design professional” (as that term is defined under Civil Code section 2782.8), then, and only to the extent required by Civil Code section 2782.8, which is fully incorporated herein, Consultant’s indemnification obligation shall be limited to the extent which the Claims arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of the Consultant in the performance of the services or this Agreement, and, upon Consultant obtaining a final adjudication by a court of competent jurisdiction, Consultant’s liability for such claim, including the cost to defend, shall not exceed the Consultant’s proportionate percentage of fault.

**18. Consequential Damages.** Notwithstanding any other provision of this Agreement, in no event shall District be liable, regardless of whether any claim is based on contract or tort, for any special, consequential, indirect or incidental damages, including, but not limited to, lost profits or revenue, arising out of or in connection with this Agreement or the Services performed in connection with this Agreement.

**19. Litigation.** In the event that either Party brings an action under this Agreement for the breach or enforcement hereof, or must incur any collection expenses for any amounts due hereunder the prevailing Party in such action shall be entitled to its costs including reasonable attorney's fees, whether or not such action is prosecuted to judgment.

**20. Notices.** Any notice or communication required hereunder between District or Consultant must be in writing, and may be given either personally, by registered or certified mail (return receipt requested), or by Federal Express, UPS or other similar couriers providing overnight delivery. If personally delivered, a notice shall be deemed to have been given when delivered to the Party to whom it is addressed. Notices given by registered or certified mail shall be deemed to have been given and received on the first to occur of (a) actual receipt by any of the addressees designated below as the party to whom notices are to be sent, (b) on the date delivered as shown on a receipt issued by the courier, or (c) five (5) days after a registered or certified letter containing such notice, properly addressed, with postage prepaid, is deposited in the United States mail. If given by Federal Express or similar courier, a notice or communication shall be deemed to have been given and received on the date delivered as shown on a receipt issued by the courier. Any Party hereto may at any time, by giving ten (10) days written notice to the other Party hereto, designate any other address in substitution of the address to which such notice or communication shall be given. Such notices or communications shall be given to the Parties at the addresses in this paragraph set forth below:

If to District:

Altadena Library District  
600 E Mariposa Street  
Altadena, CA 91001  
Attention: District Director  
If to Consultant:

Attention:

**21. Time of Performance.** Consultant shall perform its Services in a prompt and timely manner and shall commence performance upon receipt of written notice from the District to proceed. Consultant shall complete the Services required hereunder within Term.

**22. Delays in Performance.**

A. Neither District nor Consultant shall be considered in default of this Agreement for delays in performance caused by circumstances beyond the reasonable control of the non-performing Party. For purposes of this Agreement, such circumstances include a Force Majeure Event. A Force Majeure Event shall mean an event that materially affects the Consultant's performance and is one or more of the following: (1) Acts of God or other natural disasters occurring at the project site; (2) terrorism or other acts of a public enemy; (3) orders of

governmental authorities (including, without limitation, unreasonable and unforeseeable delay in the issuance of permits or approvals by governmental authorities that are required for the Services); and (4) pandemics, epidemics or quarantine restrictions. For purposes of this section, "orders of governmental authorities," includes ordinances, emergency proclamations and orders, rules to protect the public health, welfare and safety.

B. Should a Force Majeure Event occur, the non-performing Party shall, within a reasonable time of being prevented from performing, give written notice to the other Party describing the circumstances preventing continued performance and the efforts being made to resume performance of this Agreement. Delays shall not entitle Consultant to any additional compensation regardless of the Party responsible for the delay.

C. Notwithstanding the foregoing, the District may still terminate this Agreement in accordance with the termination provisions of this Agreement.

**23. Conflicts of Interest.** During the term of this Agreement, Consultant shall at all times maintain a duty of loyalty and a fiduciary duty to the District and shall not accept payment from or employment with any person or entity which will constitute a conflict of interest with the District.

**24. California Labor Code Requirements.** Consultant is aware of the requirements of California Labor Code Sections 1720 et seq. and 1770 et seq., as well as California Code of Regulations, Title 8, Section 16000, et seq., ("Prevailing Wage Laws"), which require the payment of prevailing wage rates and the performance of other requirements on certain "public works" and "maintenance" projects. If the Services are being performed as part of an applicable "public works" or "maintenance" project, as defined by the Prevailing Wage Laws, Consultant agrees to fully comply with such Prevailing Wage Laws, if applicable. Consultant shall defend, indemnify and hold the District, its elected officials, officers, employees and agents free and harmless from any claims, liabilities, costs, penalties or interest arising out of any failure or alleged failure to comply with the Prevailing Wage Laws. It shall be mandatory upon the Consultant and all subcontractors to comply with all California Labor Code provisions, which include but are not limited to prevailing wages (Labor Code Sections 1771, 1774 and 1775), employment of apprentices (Labor Code Section 1777.5), certified payroll records (Labor Code Sections 1771.4 and 1776), hours of labor (Labor Code Sections 1813 and 1815) and debarment of contractors and subcontractors (Labor Code Section 1777.1). If the Services are being performed as part of an applicable "public works" or "maintenance" project, then pursuant to Labor Code Sections 1725.5 and 1771.1, the Consultant and all subconsultants performing such Services must be registered with the Department of Industrial Relations. Consultant shall maintain registration for the duration of the Project and require the same of any subconsultants, as applicable. This Project may also be subject to compliance monitoring and enforcement by the Department of Industrial Relations. It shall be Consultant's sole responsibility to comply with all applicable registration and labor compliance requirements.

**25. Verification of Employment Eligibility.** By executing this Agreement, Consultant verifies that it fully complies with all requirements and restrictions of state and federal law respecting the employment of undocumented aliens, including, but not limited to, the Immigration

Reform and Control Act of 1986, as may be amended from time to time, and shall require all subconsultants and sub-subconsultants to comply with the same.

**26. Prohibited Employment.** Consultant shall not employ any current employee of District to perform the work under this Agreement while this Agreement is in effect.

**27. Equal Opportunity Employment.** Consultant represents that it is an equal opportunity employer and that it shall not discriminate against any employee or applicant for employment because of race, religion, color, national origin, ancestry, sex, age or other interests protected by the State or Federal Constitutions. Such non-discrimination shall include, but not be limited to, all activities related to initial employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination.

**28. General Provisions.**

A. **Modification.** No alteration, modification, or termination of this Agreement shall be valid unless made in writing and executed by all Parties.

B. **Waiver.** The waiver by any Party of a breach of any provision hereof shall be in writing and shall not operate or be construed as a waiver of any other or subsequent breach hereof unless specifically stated in writing.

C. **Assignment.** No Party shall assign, transfer, or otherwise dispose of this Agreement in whole or in part to any individual, firm, or corporation without the prior written consent of the other Party. Subject to the forgoing provisions, this Agreement shall be binding upon, and inure to the benefit of, the respective successors and assigns of the Parties.

D. **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the state of California.

E. **Venue.** Venue for all legal proceedings shall be in the Superior Court of California for the County of Los Angeles.

F. **Partial Invalidity.** If any provision of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions shall nevertheless continue in full force without being impaired or invalidated in any way.

G. **Counterparts.** This Agreement may be executed in two or more counterparts, each of which shall constitute an original and all of which shall be deemed a single agreement.

H. **Severability.** If any term, covenant, or condition of this Agreement is held by a court of competent jurisdiction to be invalid, the remainder of this Agreement shall remain in effect.

I. **Audit.** District shall have access at all reasonable times to all reports, contract records, contract documents, contract files, and personnel necessary to audit and verify



Consultant's charges to District under this Agreement. Records of Consultant's Services relating to this Agreement shall be maintained in accordance with generally recognized accounting principles and shall be made available to District for inspection and/or audit at mutually convenient times for a period of four (4) years from the Effective Date. Books, documents, papers, accounting records, and other evidence pertaining to costs incurred shall be maintained by Consultant and made available at all reasonable times during the Agreement Term and for four (4) years from the date of final payment under the Agreement for inspection by District.

J. **Entire Agreement.** This Agreement sets forth the entire understanding between the Parties as to the subject matter of this Agreement and merges all prior discussions, negotiations, proposal letters or other promises, whether oral or in writing.

K. **Headings Not Controlling.** Headings used in this Agreement are for reference purposes only and shall not be considered in construing this Agreement.

L. **Time is of the Essence.** Time is of the essence in this Agreement for each covenant and term of a condition herein.

M. **Drafting and Ambiguities.** Any rule of construction that ambiguities are to be resolved against the drafting party does not apply in interpreting this Agreement as each Party was involved in the drafting of this Agreement.

N. **District's Right to Employ Other Consultants.** District reserves its right to employ other consultants, including but not limited to engineers, in connection with this Project or other projects.

O. **Prohibited Interests.** Consultant maintains and warrants that it has neither employed nor retained any company or person, other than a bona fide employee working solely for Consultant, to solicit or secure this Agreement. Further, Consultant warrants that it has not paid nor has it agreed to pay any company or person, other than a bona fide employee working solely for Consultant, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of this Agreement. For breach or violation of this warranty, District shall have the right to rescind this Agreement without liability. For the term of this Agreement, no official, officer or employee of District, during the term of his or her service with District, shall have any direct interest in this Agreement, or obtain any present or anticipated material benefit arising therefrom.

P. **Third Party Rights.** Nothing in this Agreement shall be construed to give any rights or benefits to anyone other than the District and the Consultant.

Q. **Authority.** The persons executing this Agreement on behalf of the Parties hereto warrant that they are duly authorized to execute this Agreement on behalf of said Parties and that by doing so, the Parties hereto are formally bound to the provisions of this Agreement.

R. **Electronic Signatures.** The Parties hereto hereby agree that electronic signatures are acceptable and that they shall have the same force and effect as original wet signatures.



**IN WITNESS WHEREOF**, the Parties have executed this Agreement as of the last day and date below written.

**DISTRICT:**  
ALTADENA LIBRARY DISTRICT

**CONSULTANT:**

\_\_\_\_\_  
By: Nikki Winslow, District Director

\_\_\_\_\_  
By: \_\_\_\_\_

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

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

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

APPROVED AS TO FORM:

\_\_\_\_\_  
Richard Egger, General Counsel

**EXHIBIT A**  
**Services**

**EXHIBIT B**  
**Rates**