



**SPECIAL TELECONFERENCE MEETING OF THE SACRAMENTO PUBLIC LIBRARY  
SACRAMENTO PUBLIC LIBRARY AUTHORITY BOARD**

**THURSDAY, JANUARY 28, 2021**

**3:00 PM TO 5:00 P.M.**

**IN LIGHT OF COVID-19 RESTRICTIONS ON PUBLIC GATHERINGS THE BOARD MEMBERS OF THE  
SACRAMENTO PUBLIC LIBRARY ARE INVITED TO PARTICIPATE VIA ZOOM.**

**TO JOIN VIA ZOOM: GO TO: [HTTPS://ZOOM.US./J/99739602901](https://zoom.us/j/99739602901)**

**OR JOIN BY PHONE: (669) 900-9128 MEETING ID: 99739602901#**

\*\*\*\*\*

The Board welcomes and encourages participation at Board meetings. Comments are limited to three minutes so that everyone may be heard. Public testimony will be permitted on each agenda item as it is called. Matters under the jurisdiction of the Board, and not on the posted agenda, may be addressed during the general public comment period. When several persons address the Board on a single matter, the Board limits testimony to 15 minutes or as the Chair may determine. Members of the audience participating via ZOOM and wishing to address the Board should click on the button to “raise their hand” during the item on which they would like to comment. Your microphone will be enabled during your opportunity to speak. Please speak into the microphone when addressing the Board, and state your name for the record.

This agenda provides a brief description of each item to be discussed. The Board may take action different from that recommended by staff. Categorization of an item as other than an “action item” does not preclude the Board from taking action with respect to that item.

This meeting of the Sacramento Public Library Authority Board will be recorded via ZOOM and will be available no later than two weeks following today’s meeting. The full agenda, including reports, is available on the Library website at [www.saclibrary.org](http://www.saclibrary.org).

Meetings are accessible to persons with disabilities. Requests for interpreting services, assistive listening devices or other special assistance should be made to the Clerk of the Board by calling 916.264.2790 (TDD 916.264.2855) at least 12 hours prior to the meeting.

**Sacramento Public Library Authority Board**

**Sue Frost**  
**Chair**  
Board of Supervisors  
County of Sacramento

**Eric Guerra**  
**Vice Chair**  
City Council  
City of Sacramento

**Angelique Ashby**  
City Council  
City of Sacramento

**Rich Desmond**  
Board of Supervisors  
County of Sacramento

**Shawn Farmer**  
Mayor  
City of Galt

**Garrett Gatewood**  
Mayor  
City of Rancho Cordova

**Rick Jennings, II**  
City Council  
City of Sacramento

**Patrick Kennedy**  
Board of Supervisors  
County of Sacramento

**Sean Loloee**  
City Council  
City of Sacramento

**Don Nottoli**  
Board of Supervisors  
County of Sacramento

**Phil Serna**  
Board of Supervisors  
County of Sacramento

**Tim Schaefer**  
City Council  
City of Citrus Heights

**Bobbie Singh-Allen**  
Mayor  
City of Elk Grove

**Kevin Spease**  
City Council  
City of Elk Grove

**Mai Vang**  
City Council  
City of Sacramento

**Jennifer V. Gore**  
Authority Counsel

**Rivkah K. Sass**  
Library Director  
Secretary of the Board

**Johnny Ea**  
Finance Manager  
Treasurer

**Heather Wilde**  
Clerk of the Board



SACRAMENTO PUBLIC LIBRARY AUTHORITY BOARD  
THURSDAY, JANUARY 28, 2021, 3:00 PM TO 5:00 P.M.

IN LIGHT OF COVID-19 RESTRICTIONS ON PUBLIC GATHERINGS THE BOARD MEMBERS OF THE  
SACRAMENTO PUBLIC LIBRARY ARE INVITED TO PARTICIPATE VIA ZOOM.

TO JOIN VIA ZOOM: GO TO: [HTTPS://ZOOM.US./J/99739602901](https://zoom.us/j/99739602901)  
OR JOIN BY PHONE: (669) 900-9128 MEETING ID: 99739602901#

**1. Call to Order**

**2. Public Comment on Matters Not on the Agenda**

**3. Presentations**

Friends of the Sacramento Public Library, Karen Wilson, President

**4. Executive Team Report**

4.1 Executive Team Report - January 28, 2020

Receive and file

[4.1 Executive Team Report - ATT A - November 2020 Statistics.pdf](#)

[4.1 Executive Team Report - ATT B - December 2020 Statistics.pdf](#)

**5. Information**

5.1 Final Settlement Agreement with Sacramento Public Library Foundation

Receive and File

[5.1 Sacramento Public Library Foundation Litigation Resolution - ATT A - Settlement Agreement and Release Fully Executed.pdf](#)

5.2 Sacramento Public Library Annual Report 2019-2020

Receive and file

[5.2 Sacramento Public Library Annual Report 2019-2020 - ATT A.pdf](#)

5.3 Monthly Financial Report - November 2020

Receive and File

[5.3 Monthly Financial Report - November 2020 - ATT A.pdf](#)

5.4 Monthly Treasurer's Report - November 2020

Receive and File

[5.4 Monthly Treasurer's Report - November 2020 - ATT A.pdf](#)

[5.4 Monthly Treasurer's Report - November 2020 - ATT B.pdf](#)

5.5 COVID-19 Occupancy Numbers

Receive and file.

[5.5 COVID-19 Occupancy Numbers - ATT A.pdf](#)

5.6 Budget-Audit Committee Process and Calendar  
Receive and File

[5.6 2021 Authority Board Budget-Audit Committee Appointment Duties and Rotation  
Schedule - ATT A.pdf](#)

## **6. Consent**

6.1 Action Summary - December 10, 2020  
Approve and file

6.2 Contract Approval – Periodical & Instructional Database Package – Cengage Learning  
Adopt Resolution 21-01, approving a contract with Cengage Learning for the Gale  
periodicals database package, including online learning service Gale Courses, for a  
three-year term, in a total amount not to exceed \$349,720.

[6.2 Contract Approval - Periodical & Instructional Database Package - Cengage Learning -  
RES 21.01.pdf](#)

[6.2 Contract Approval – Periodical & Instructional Database Package – Cengage Learning -  
EXH A - Agreement.pdf](#)

## **7. Closed Session**

PERFORMANCE EVALUATION (Government Code Section 54957) Title: Library Director

## **8. Action**

8.1 Resolution Authorizing Hiring of Retired Annuitant  
Approve RES. 21-02 approving the appointment of Nina Biddle as a retired annuitant to  
update and centralize the Library's contracting and procurement process.

[8.1 Authorize Hire of Retired Annuitant - RES 21-02.pdf](#)

8.2 Election of Board Chair and Vice Chair 2021 (no written report)  
Nominate and elect Board Chair and Vice-Chair for the upcoming year.

[8.2 2021 Chair and Vice-Chair Rotation - 2000 - 2026 - ATT A.pdf](#)

## **9. Reports, Ideas and Questions from Board Members**

## **10. Adjourn**



January 28, 2021

Agenda Item 4.1: Executive Team Report - January 28, 2020

**TO:** Sacramento Public Library Authority Board

**FROM:** Rivkah K. Sass, Director  
Jarrid P. Keller, Deputy Director  
Cathy Crosthwaite, Deputy Director

**RE:** Executive Team Report - January 28, 2020

**SUGGESTED ACTION(S):**

Receive and file

**I LOVE MY LIBRARIAN AWARD – ADILENE ESTRADA-HUERTA**

Every year since 2008 people throughout the nation nominate their favorite librarian to be selected as one of 10 librarians to receive the “I Love My Librarian” award from the American Library Association. This year 1,865 librarians were nominated and Addie Estrada-Huerta was selected as one of the recipients of this prestigious award in recognition of her outstanding service to our Spanish-Speaking community.

During the COVID-19 pandemic, Estrada-Huerta drew on her extensive technological skills to adapt library programming to a virtual format. Online storytimes and teen programming feature engaging graphics, animations and lyric slides, as well as closed captioning whenever possible to make the videos accessible to all.

Sacramento Public Library staff could not be more proud of Addie and her accomplishments.

**REOPENING UPDATE**

With new state and local orders, staff are once again planning for the reopening of libraries. Safety for staff and the public remains the highest priority. Preliminary plans to reopen on February 9 are underway for in-per browsing opening at 20 locations with North Natomas Library opening for in-person browsing on February 16 and the Tsakopoulos Library Galleria opening for computer appointments, also on February 16.

The opening status of all libraries and occupancy levels can be found in Item 5.5.

**ELK GROVE LIBRARY UPDATE**

The Elk Grove Library may soon have a new home! In December 2020, the City of Elk Grove informed staff that there had been progress made towards the purchase of the former Rite Aid building located at 9260 Elk Grove Boulevard, a 17,340 square-foot free-standing single-story building on a 2.73-acre lot. On January 5, 2021, Library and City of Elk Grove staff met with Group 4 Architectural to conceptualize design and the efficacy of operating a Library out of the location.

On January 27, 2021, the Elk Grove City Manager's Office will take a recommendation to the Elk Grove City Council to purchase the Rite Aid Building located at 9260 Elk Grove Boulevard, to be the future home of the Elk Grove Library. Library and City Staff are excited about the possibilities. Staff will provide the Board with an update at the March 2021 Authority Board Meeting.

#### NORTH SACRAMENTO - HAGGINWOOD LIBRARY UPDATE

The City of Sacramento has been exploring options for the North Sacramento - Hagginwood (NSA) Library for some time. At the August 13, 2019, City Council Meeting, Resolution No. 2019-0320 was adopted to establish the North Sacramento Library Relocation Capital Improvement Project. The current leased 4,000 square foot building is inadequate and does not meet community needs outside of the COVID-19 public health emergency. The current lease expired on March 31, 2020. The owner of the North Sacramento-Hagginwood Library, who bought the building sight unseen, has demanded a substantial lease increase, above the \$6,000 per month the Library already pays, and we are not in a position to pay the increased rent. We have proceeded with a month to month lease until issues can be resolved.

In July 2020, staff toured the Sacramento News & Review building with the City's Facilities and Economic Development Departments to assess whether it might serve as a potential new location for NSA. At 17,000 square feet, this location could serve as a full-service library, offering space for dedicated children's and teen's areas, study rooms, makerspace, community room, and partnerships with other community organizations.

Per the Joint Exercise Powers of Authority, the City of Sacramento would be responsible for acquiring the building (purchase or lease), and funding the tenant improvements required to outfit the building as a library. Staff are working closely with City of Sacramento and have provided input on operational costs, design considerations, and requirements for operating a library in the space. There have been no commitments to acquire or relocate the library to this location, but we are optimistic about how things are progressing and will provide additional information to the Board at the February meeting.

#### ORANGEVALE LIBRARY EXPANSION UPDATE

The long-awaited expansion of the Orangevale library began in July 2020. The expansion will add new features to better meet the needs of the community, make the library fully ADA accessible and nearly double its footprint from 4,320 square feet to 7,910 square feet. The project has experienced delays. The original project called for the building to be turned over to the Library for outfitting in October 2020. Unfortunately, due to structural changes and permitting issues, the new date to turn over the facility to the Library is March 2021. After the building is turned over, the Library will begin outfitting the space with furniture, fixtures, equipment, and collections. Staff estimate the outfitting will be completed by June 2021.

#### WORKING SCHOLARS

In early 2020, Sacramento Public Library was identified as one of three California public library systems to pilot an online bachelor's degree program to be offered to qualifying Career Online High School (COHS)\* graduates. The bachelor's degree program through Working Scholars is fully accredited with the equivalent of the AA degree funded by the California State Library and the upper division work funded by Sacramento Public Library. This fully accredited program provides the flexibility and affordability to earn the degree needed to pursue promotions and/or a Master's degree.

There are seven COHS graduates participating in Working Scholars. The California State Library liaison recently informed us that an SPL student is doing very well:

"the person who has completed the MOST courses over the past year is a COHS grad from Sacramento Public Library. The expected pace is to complete eight courses a year, and he's completed 20 since last April (2020)! The Working Scholars folks thought it might be a record...."

By offering both an online high school program and an online bachelor's degree program, the Sacramento Public Library is positioned to fill educational gaps for our adult patrons. We are very proud to be able to offer this opportunity and even more excited to see the COHS graduates embrace the challenge and excel in their studies.

\*Career Online High School (COHS) is an online high-school diploma/career certificate program Sacramento Public Library has offered to Sacramento County residents, 19 years and older since 2016. We have more than 185 high school graduates to date.

#### GIFT OF ART FOR RANCHO CORDOVA LIBRARY

Rancho Cordova Library Branch Supervisor Laura Powell, Cathy Crosthwaite and Rivkah Sass got to go on an art shopping spree thanks to the Cordova Community Council. The Council's fall show featured a range of art produced by more than forty artists. Staff selected pieces that reflect the diverse talents of the Sacramento Region.

Funding for the purchase comes from Rancho Cordova Arts, a 501c3 organization.

#### **ATTACHMENT(S):**

[4.1 Executive Team Report - ATT A - November 2020 Statistics.pdf](#)

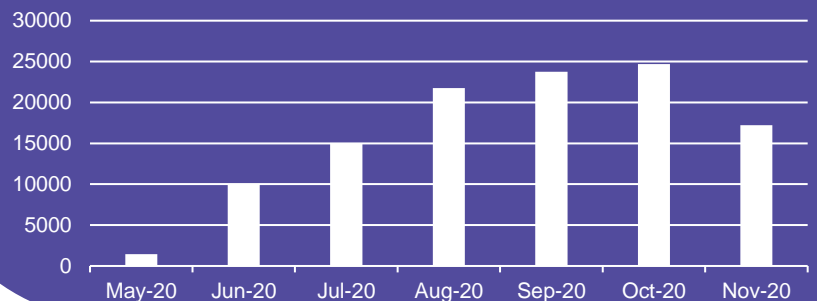
[4.1 Executive Team Report - ATT B - December 2020 Statistics.pdf](#)

# SPL at a Glance: November 2020

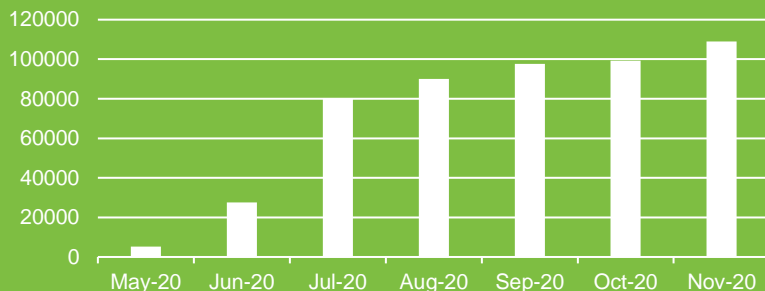
# 17,215

**CURBSIDE VISITS  
NOVEMBER 2020**

**CURBSIDE VISITS  
MAY THROUGH NOVEMBER 2020**



**PHYSICAL CIRCULATION MAY THROUGH  
NOVEMBER 2020**



# 108,934

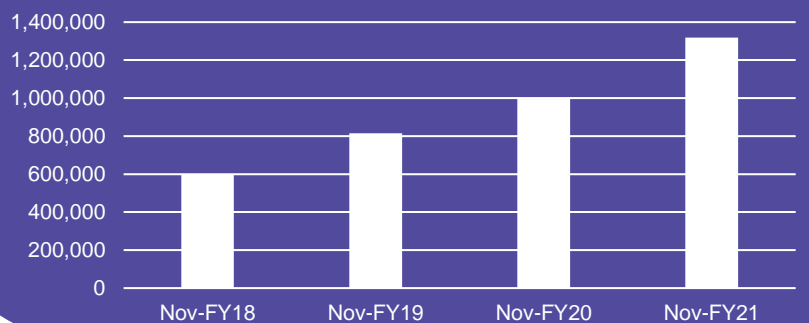
**PHYSICAL CIRCULATION  
NOVEMBER 2020**



# 1,371,858

**DIGITAL  
CHECKOUTS  
YTD**

**FISCAL YTD DIGITAL CHECKOUTS**



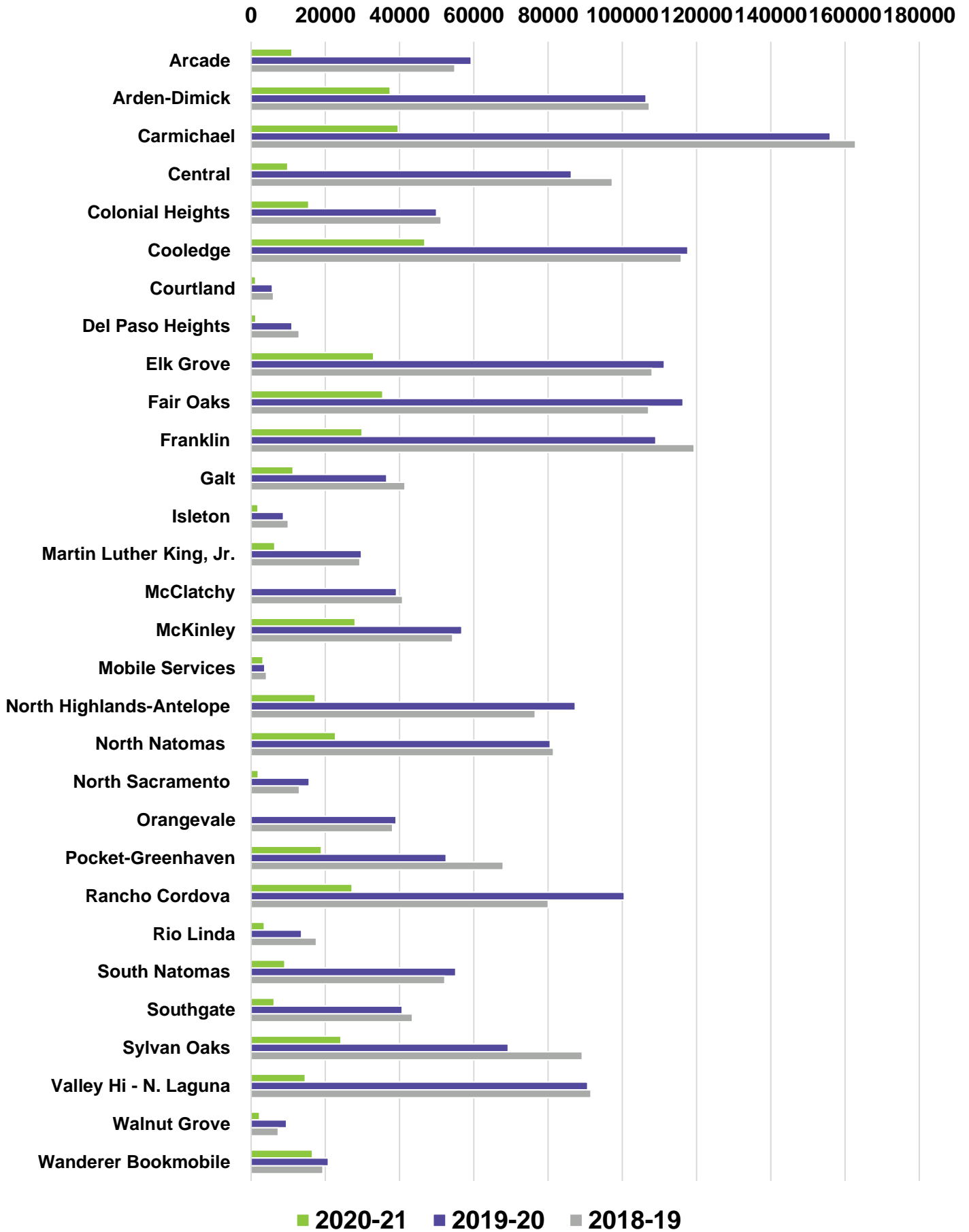
A local college student regarding a reading assignment:

*"I couldn't quite get into reading the printed version for the assignment, so I downloaded the e-audiobook on Libby using my SPL library card."*

# 250,870

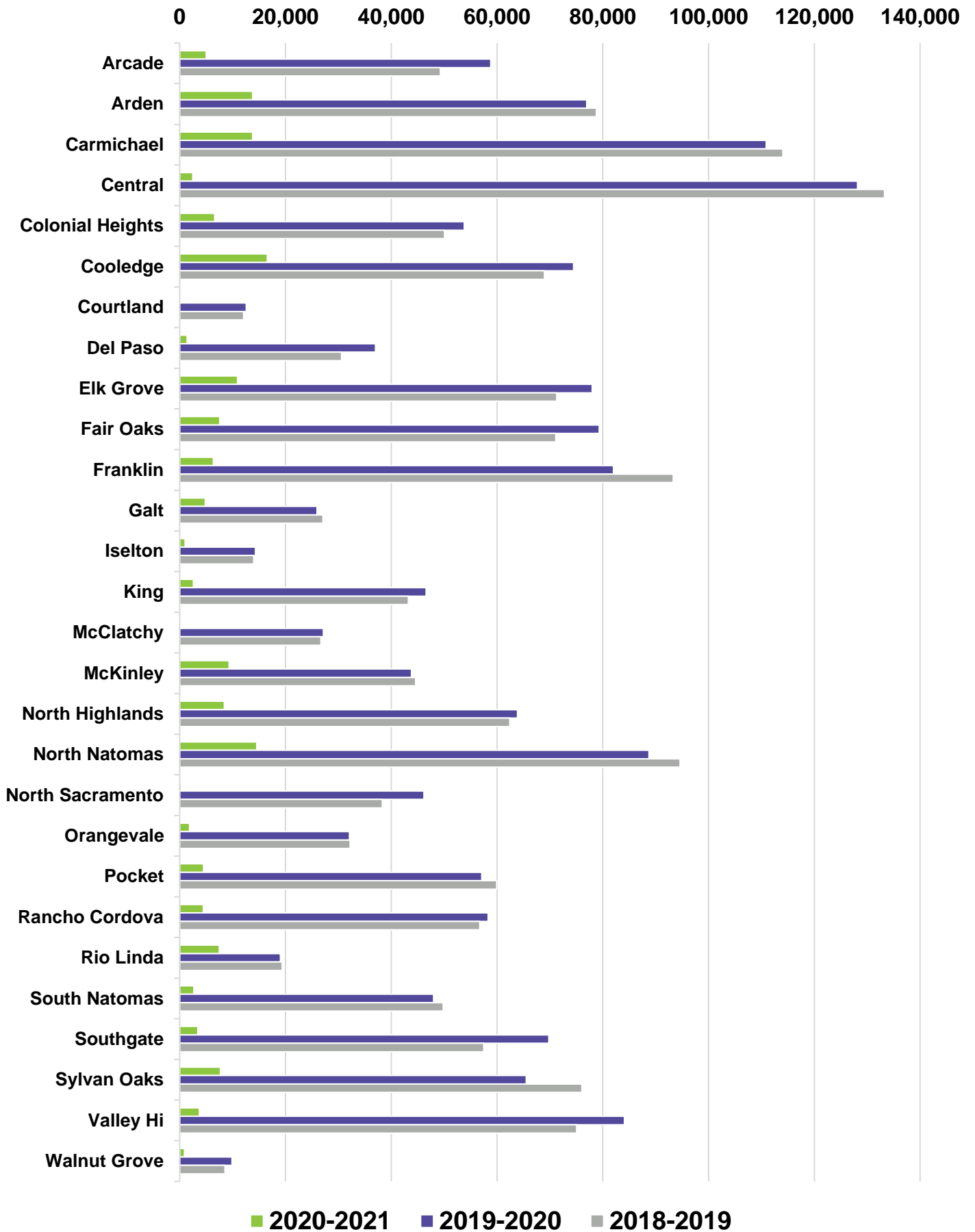
**DIGITAL  
CHECK OUTS  
NOVEMBER 2020**

# Branch Circulation November Fiscal YTD Comparison





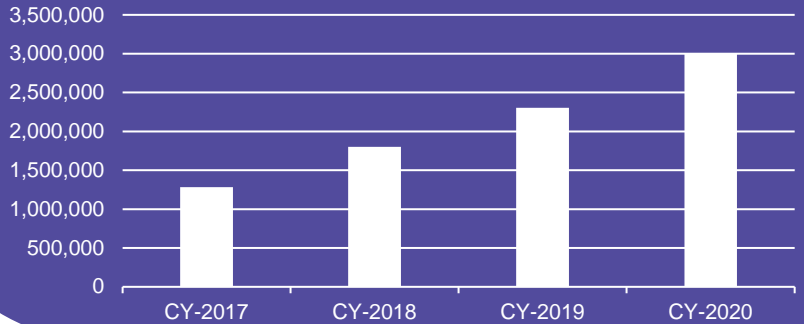
## Branch Visits Fiscal YTD November



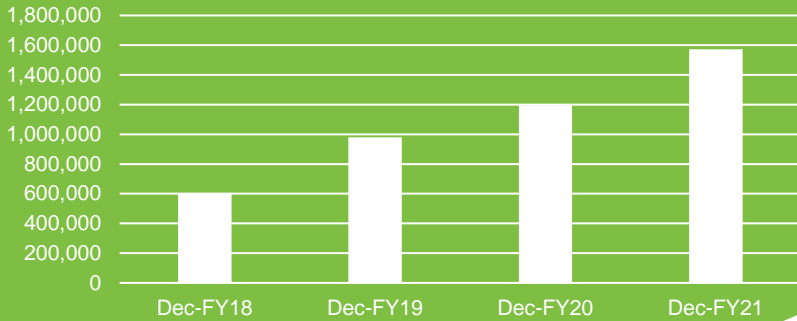
# SPL at a Glance: December 2020

**3,000,573**  
DIGITAL  
CHECKOUTS  
CY 2020

DIGITAL CHECKOUTS BY CALENDAR YEAR



YTD DIGITAL CHECKOUTS

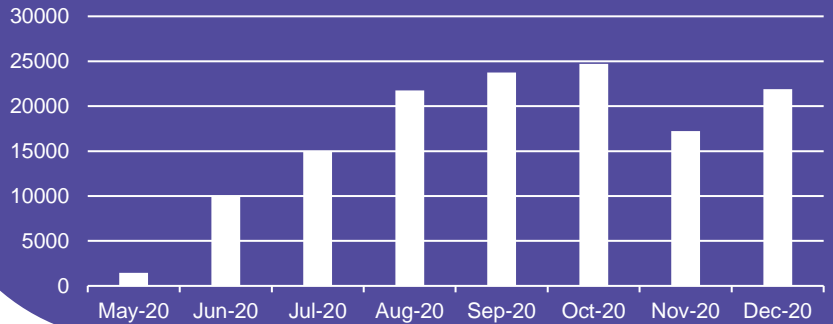


**1,573,136**  
DIGITAL  
CHECKOUTS  
YTD

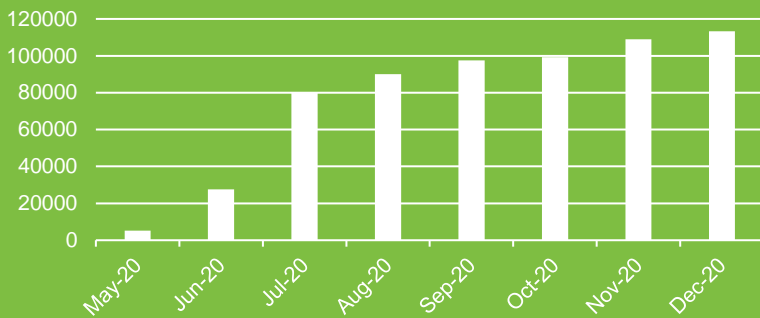


**21,891**  
CURBSIDE VISITS  
DECEMBER 2020

VISITS MAY THROUGH DECEMBER 2020



CIRCULATION MAY THROUGH DECEMBER 2020



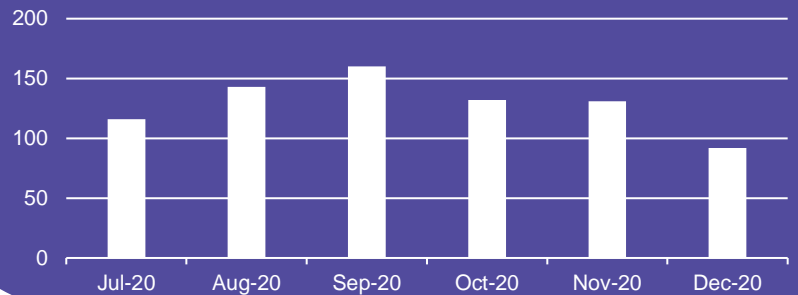
**113,291**  
CIRCULATION  
DECEMBER 2020

# SPL at a Glance: December 2020

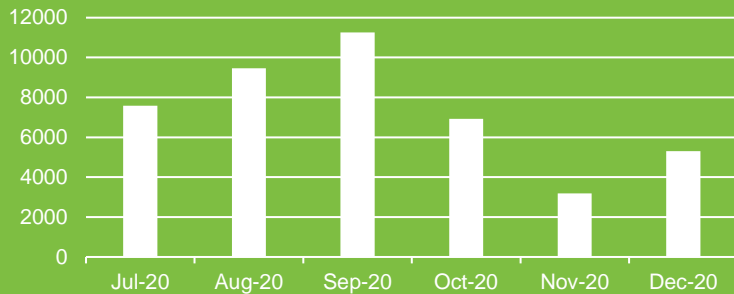
# 774

**VIRTUAL PROGRAMS PRODUCED SINCE JULY 2020**

**SPL VIRTUAL PROGRAMS PRODUCED JULY THROUGH DECEMBER 2020**



**SPL VIRTUAL PROGRAM VIEWS JULY THROUGH DECEMBER 2020**



# 43,728

**VIRTUAL PROGRAM VIEWS SINCE JULY 2020**



# 478

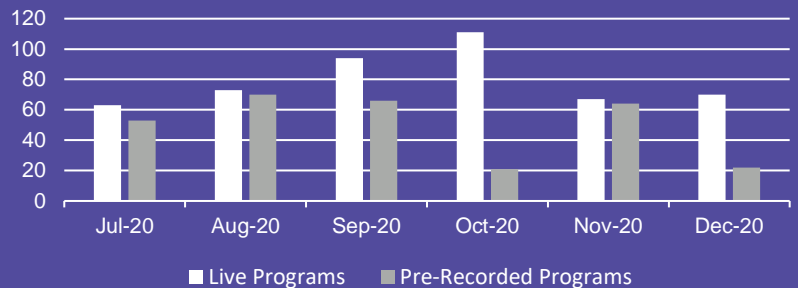
**LIVE PROGRAMS**

# 296

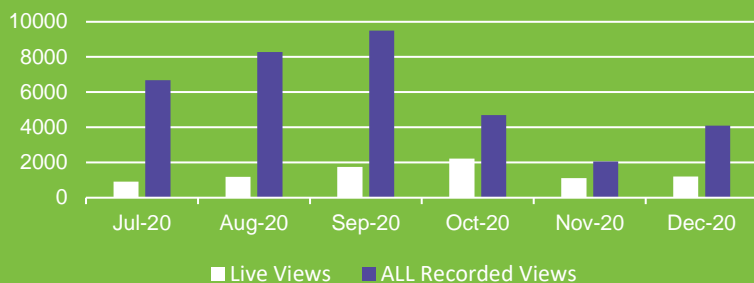
**RECORDED PROGRAMS**

**SINCE JULY 2020**

**SPL VIRTUAL PROGRAMS PRODUCED BY TYPE JULY THROUGH DECEMBER 2020**



**SPL VIRTUAL PROGRAM VIEWS BY TYPE JULY THROUGH DECEMBER 2020**



# 8,403

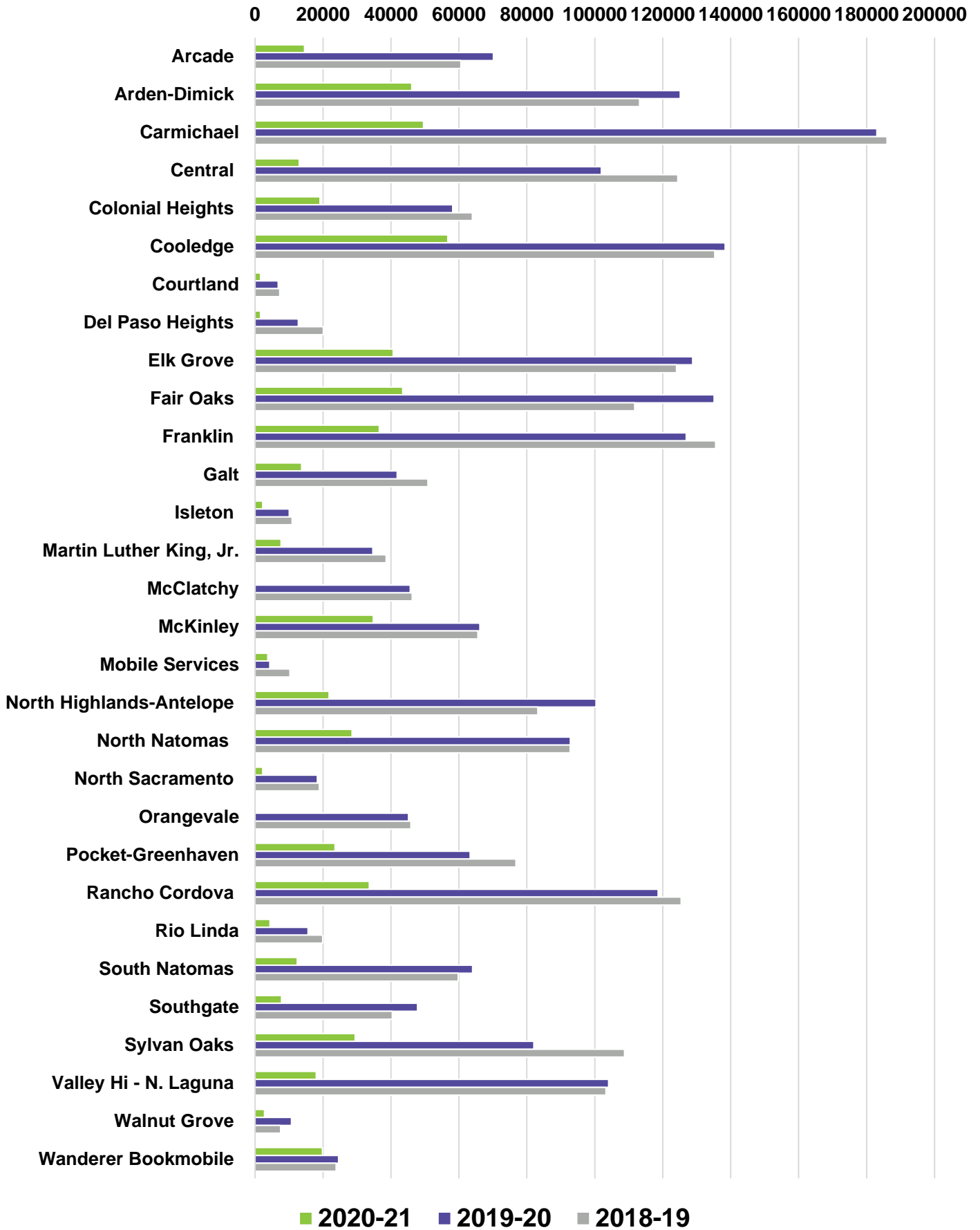
**LIVE VIEWS**

# 35,325

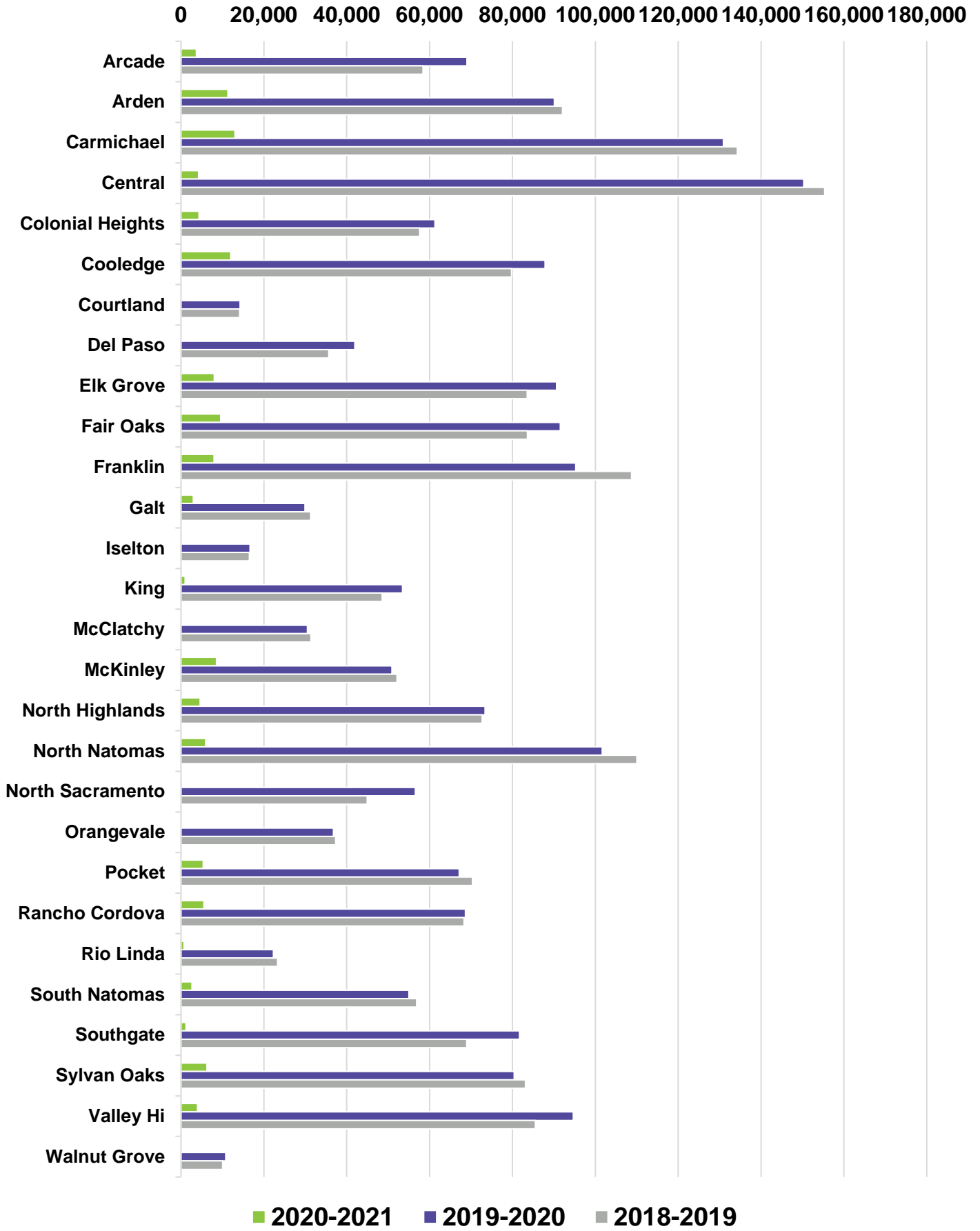
**RECORDED VIEWS**

**SINCE JULY 2020**

# Branch Circulation December YTD Comparison



## Branch Visits Fiscal YTD December





January 28, 2021

Agenda Item 5.1: Final Settlement Agreement with Sacramento Public Library Foundation

**TO:** Sacramento Public Library Authority Board

**FROM:** Jennifer Gore, Legal Counsel

**RE:** Final Settlement Agreement with Sacramento Public Library Foundation

**SUGGESTED ACTION(S):**

Receive and File

**BACKGROUND:**

Attached is the final settlement agreement between the Library and the Sacramento Public Library Foundation. This agreement was executed by Chair Frost and Rivkah Sass on January 21, 2021, consistent with the settlement authority granted to them by the Board in closed session during the August 27, 2020, Board meeting.

**ATTACHMENT(S):**

[5.1 Sacramento Public Library Foundation Litigation Resolution - ATT A - Settlement Agreement and Release Fully Executed.pdf](#)

## SETTLEMENT AGREEMENT AND MUTUAL RELEASE

This Settlement Agreement and Mutual Release (“Settlement Agreement”) is made and entered into as of this 15th day of January 2021 (the “Effective Date”) by and among Plaintiff Sacramento Public Library Authority, (“Authority” or “Plaintiff”) a joint powers authority formed by the County of Sacramento and the Cities of Citrus Heights, Elk Grove, Galt, Isleton, Rancho Cordova, and Sacramento, on the one hand, and Defendants Sacramento Public Library Foundation (the “Foundation”), a California nonprofit public benefit corporation, April Javist, its Executive Director, and James Deeringer, its President, on the other hand (collectively, “Defendants”). The foregoing may be referred to herein individually as a “Party” and collectively as the “Parties.”

### RECITALS

WHEREAS, the Authority operates the Sacramento Public Library (“Library”), and the Foundation, among other activities, raises funds for the Library’s programs and activities and holds and manages certain endowment funds and other property for the benefit of the Library.

WHEREAS, on March 31, 2020, the Authority filed a complaint against the Foundation in the United States District Court (Eastern District), Case No. 2:20–CV–00678–WBS–KJN (the “Federal Action”).

WHEREAS, on August 24, 2020, the Authority filed its First Amended Complaint against the Foundation (the “Complaint”).

WHEREAS, on September 8, 2020, Defendants filed an Answer to the Authority’s Complaint.

WHEREAS, from September 18-24, 2020, the Parties engaged in a Settlement Conference before the Honorable Kendall J. Newman that resulted in an oral settlement placed on the record on September 24, 2020 (the “Record Date”).

WHEREAS, the Parties now wish to memorialize their settlement, part ways, and cease association between them following approval of the terms of this settlement by the California Attorney General (the “Attorney General”). The date on which the Attorney General approves this settlement shall be the “Approval Date”.

NOW THEREFORE, in consideration of the agreements, covenants, releases and payments made herein, the adequacy and sufficiency of which are hereby acknowledged by the Parties, the Parties agree to settle as follows:

### AGREEMENT

1. **Assets and Artwork Presently Held By Foundation.**

(a) Under this Settlement Agreement, certain assets currently held by the Foundation will be transferred to other entities, primarily the Sacramento Region Community Foundation (“SRCF”). The Parties agree and acknowledge that many of the assets to be

transferred under this Settlement Agreement were donated to the Foundation by donors who intended their donations to be restricted to certain purposes (individually a “Restricted Asset”, collectively, the “Restricted Assets”), and that the terms and conditions under which the Foundation currently holds the Restricted Assets reflects the donors’ intentions. The Parties further agree and acknowledge that they seek to uphold donor intent for all Restricted Assets. Each transferee of any Restricted Asset transferred under this Settlement Agreement has provided or will provide a signed transfer agreement (a “Transfer Agreement”) in which the transferee sets forth the terms and conditions under which the transferee has agreed to hold the Restricted Asset transferred to that transferee. The Parties hereby agree that the terms and conditions set forth in each and every Transfer Agreement satisfy the intentions of the donors who donated the Restricted Asset referenced in the Transfer Agreement. Restricted Assets include, but are not limited to, the assets set forth in Sections 1(b)(i), 1(b)(ii), 1(b)(iii), 1(b)(iv), 1(b)(v), and 1(b)(xiii). The Parties agree that a Transfer Agreement signed by the Foundation and the transferee is required for each of the transfers identified in Sections 1(b)(i), 1(b)(ii), 1(b)(iii), 1(b)(iv), 1(b)(v), and 1(b)(xiii) and that each and every one of the transfers is subject to and conditioned upon AG Approval.

(b) Assets and artwork presently held by the Foundation will be allocated in the following manner:

i. **Wayne Thiebaud Artwork.** The Foundation shall transfer its interest in the painting by Wayne Thiebaud that currently hangs in the Sacramento Room (the “Artwork”) to SRCF, provided that SRCF accepts the transfer pursuant to a Transfer Agreement for the Artwork signed by SRCF, the Foundation, and Wayne Thiebaud or Wayne Thiebaud’s authorized representative with respect to the Artwork (“Thiebaud”)(“Art Transfer Agreement”). All Parties agree the Artwork shall remain on display in its current location (or in another public location with the prior written consent of the donor), consistent with donor intent. Upon transfer, the Foundation will no longer have an interest in the Artwork. If SRCF does not accept the interest in the Artwork, the Parties will work in good faith to achieve the desired outcome. The Art Transfer Agreement is attached hereto as **Exhibit 1**.

ii. **Books and Materials Endowment.** All funds in the Books and Materials Endowment (approx. \$1.3M) shall be transferred by the Foundation to SRCF for the benefit of the Authority (or any successor in interest that operates the Library) and held under the same terms and conditions as presently apply, and provided that SRCF accepts the transfer pursuant to a Transfer Agreement for the Books and Materials Endowment signed by SRCF and the Foundation (“BME Agreement”). Upon transfer, the Foundation will no longer have any interest in the Books and Materials Endowment. In the event any portion of the Books and Materials Endowment must be liquidated in order to facilitate transfer, the Parties agree to work together to preserve the corpus and minimize loss. The Foundation will provide to the Authority (a) account statements (with any account numbers redacted) for the Books and Materials Endowment from August 1, 2020, through the date of transfer and (b) any non-privileged records required by SRCF. The BME Agreement is attached hereto as **Exhibit 2**.



iii. **Sacramento Room Endowment.** All funds in the Sacramento Room Endowment (approx. \$1.2M) shall be transferred by the Foundation to SRCF by the Foundation for the benefit of the Authority (or any successor in interest that operates the Library) to be held under the same terms and conditions as presently apply, and provided that SRCF accepts the transfer pursuant to a Transfer Agreement for the Sacramento Room Endowment signed by SRCF and the Foundation (“SRE Agreement”). Upon transfer, the Foundation will no longer have any interest in the Sacramento Room Endowment. In the event any portion of the Sacramento Room Endowment must be liquidated in order to facilitate the transfer, the Parties agree to work together to preserve the corpus and minimize loss. The Foundation will provide to the Authority (a) account statements (with any account numbers redacted) for the Sacramento Room Endowment from August 1, 2020, through the date of transfer and (b) any non-privileged records required by SRCF. The SRE Agreement is attached hereto as **Exhibit 3**.

iv. **Persian Endowment.** All funds in the Persian Language Books, Materials, and Programs Endowment (the “Persian Endowment”) (approx. \$25,500) shall be transferred by the Foundation to SRCF for the benefit of the Authority (or any successor in interest that operates the Library) to be held under same terms and conditions as presently apply, and provided that SRCF accepts the transfer pursuant to a Transfer Agreement for the Persian Language Books, Materials, and Programs Endowment signed by SRCF and the Foundation (“PE Agreement”). Upon transfer, the Foundation will no longer have any interest in the Persian Endowment. In the event any portion of the Persian Endowment must be liquidated in order to facilitate transfer, the Parties agree to work together to preserve the corpus and minimize loss. The Foundation will provide to the Authority (a) account statements (with any account numbers redacted) for the Persian Endowment from August 1, 2020, through the date of transfer and (b) any non-privileged records required by SRCF. The PE Agreement is attached hereto as **Exhibit 4**.

v. **Finegold Scholarship.** All funds (approx. \$30,000) in the Finegold Scholarship shall be transferred to San Jose State University (“SJSU”) to be held under the same terms and conditions as presently apply, and provided that SJSU accepts the transfer pursuant to a Transfer Agreement for the Finegold Scholarship signed by SJSU and the Foundation (“SJSU Agreement”). Upon transfer, the Foundation will no longer have any interest in the Finegold Scholarship. In the event any portion of the Finegold Scholarship must be liquidated in order to facilitate transfer, the Parties agree to work together to preserve the corpus and minimize loss. The SJSU Agreement is attached hereto as **Exhibit 5**.

vi. **Operations Endowment.** All funds in the Foundation’s Operations Endowment (approx. \$59,000) shall remain with the Foundation. The Foundation will provide to the Authority a redacted account statement showing the balance of the Operations Endowment as of August 1, 2020, through the Approval Date.

vii. **Investment Account and Checking Account.** Approximately \$96,548 previously ear-marked for the Library will be accepted by Authority to be used in the same manner as previously established by the Foundation. The specific uses and projects for which the foregoing funds are ear-marked are as follows:

- (1) \$46,845 for the Library’s summer reading program generally (the Foundation has not previously issued a check for this amount);
- (2) \$13,500 for meals offered through the Library’s summer reading program (the Foundation has not previously issued a check for this amount);
- (3) \$28,479 for the Library’s bookmobile and/or the Library’s “WonderWagon” (the Foundation has previously issued a check for this amount);
- (4) \$3,811 for the improvement of the Library’s Arden-Dimick branch (the Foundation has previously issued a check for this amount);
- (5) \$2,900 for books and materials at the Library’s Carmichael branch, including \$100 for books on tape and \$400 for historical audio (the Foundation has previously issued a check for this amount); and
- (6) \$1,013 for the improvement of the Library’s Citrus Heights branch (the Foundation has not previously issued a check for this amount).

For amounts set forth above for which the Foundation has not previously issued a check ((1)(b)(vii)(1), (1)(b)(vii)(2), and (1)(b)(vii)(6)), the Foundation will issue a check for each of the foregoing amounts within seven (7) business days of the Approval Date. For the amounts set forth above for which the Foundation has previously issued a check ((1)(b)(vii)(3), (1)(b)(vii)(4), and (1)(b)(vii)(5)), such amounts are subject to the provisions of Section 1(b)(xiv), below.

The remaining funds (approx. \$500,000) will remain with the Foundation. The Authority will notify the Foundation if checks previously sent are stale and/or otherwise need to be reissued. The Foundation will provide to the Authority redacted account statements showing the balances of these accounts as of August 1, 2020, through the Approval Date.

viii. **Children’s Literacy Endowment.** All funds in the Children’s Literacy Endowment (approx. \$950K) shall remain with the Foundation. The Foundation will provide to the Authority a redacted account statement showing

the balance of the Children's Literacy Endowment as of August 1, 2020, through the Approval Date.

ix. **PayPal Account.** All funds in the Foundation's PayPal Account (approx. \$30,000) will be allocated as follows: approximately \$100 in restricted funds will be provided to the Authority; approx. \$7,000 in restricted funds shall be retained by the Foundation for the Walk4Literacy; and approximately \$23,180 in unrestricted funds will be shared equally between the Foundation and the Authority. The Foundation will provide to the Authority redacted account statements showing the balances of the Foundation's PayPal account as of August 1, 2020, through the Approval Date.

x. **Expected and Other Future Bequests.** Restricted bequests received after the Record Date will be allocated in accordance with donor intent. Other than the unrestricted bequest of \$375,000 and the unrestricted bequest of \$30,000 disclosed by the Foundation during the settlement conference (where the right to each of the foregoing amounts has vested as a result of a death that has occurred prior to the Record Date ("Vested Bequests")), unrestricted bequests designated for the Foundation received by the Foundation after the Record Date but where the right of the Foundation to receive the funds in that bequest is triggered by a death that occurs prior to the Approval Date will be split equally between the Foundation and the Authority. The Authority will be entitled to all unrestricted bequests designated for any entity named "Sacramento Public Library Foundation" where the right of such entity to receive the funds in that bequest is triggered by a death that occurs after the Approval Date. Any bequests designated for an existing endowment will go to the designated endowment (including, but not limited to, any endowment transferred to SRCF under these terms). The Foundation has the exclusive right to receive the Vested Bequests.

xi. **Expected and Other Future Donations.** Restricted donations received after the Record Date will be allocated in accordance with donor intent. Other than the unrestricted pledges to the Foundation in the amount of \$95,000 disclosed during the settlement conference (the "Expected Pledges"), (a) unrestricted donations directed to or designated for the Foundation received after the Record Date but prior to the Approval Date (whether received by the Foundation or Authority) will be split equally between the Foundation and Authority, and (b) unrestricted donations received after the Approval Date and that are directed or designated to any entity named "Sacramento Public Library Foundation" will be deemed to be designated to the Authority and directed accordingly. The Foundation has the exclusive right to receive the Expected Pledges.

xii. **Foundation Transfer to Authority.** The Foundation shall transfer to the Authority \$325,000 in unrestricted funds. Neither Party will make any representation regarding the characterization of the transfer to the public in advertising or donor solicitations.

xiii. **Sioukas Endowment.** The Jack and Lillian Sioukas Endowment Fund for the Sacramento Public Library Sacramento Room (the “Sioukas Endowment”) is currently held by SRCF. The Sioukas Endowment is for the ultimate benefit of the Library. SRCF distributes funds to SPLF which then distributes the funds to the Library. As of the Approval Date, the Foundation shall transfer to SRCF all of the Foundation’s right, title, and interest in the Sioukas Endowment, (including, but not limited to, any right to administer the Sioukas Endowment or receive any information regarding the Sioukas Endowment) provided that SRCF agrees to a Transfer Agreement for the Sioukas Endowment signed by SRCF and the Foundation (“Sioukas Agreement”). The Sioukas Agreement is attached hereto as **Exhibit 6**.

xiv. **Prior Distributions.** The Authority has received from the Foundation (a) a \$55,000 check for a distribution from the Books and Materials Endowment; (b) a \$51,000 check for a distribution from the Sacramento Room Endowment; (c) a \$6,590 check from the Sioukas Endowment, which were not negotiated by the Authority; and (d) checks for the amounts and purposes set forth in Section 1(b)(vii)(3), 1(b)(vii)(4), 1(b)(vii)(5). The Authority will return these checks to the Foundation and, within seven business days of the receipt of such checks, the Foundation will issue new checks to the Authority, provided the Books and Materials Endowments and the Sacramento Room Endowment have not yet been transferred to SRCF.

(c) Transfer and Forwarding of Funds/Interest. All funds and other interests to be transferred to SRCF, SJSU, or the Authority under this Section 1 shall be completed within seven business days following the Approval Date, provided that with respect to the transfers to the SRCF and SJSU (as set forth in Sections 1(b)(i), 1(b)(ii), 1(b)(iii), 1(b)(iv), 1(b)(v), and 1(b)(xiii)), each and every one of the transferees have signed the corresponding Transfer Agreement as provided above. The Parties further agree and acknowledge that each Party will forward to the other Party any funds that it has received after the Record Date that are intended for the benefit of any other Party within 15 days of receipt, consistent with the terms of this Settlement Agreement.

(d) Transferees’ Inability to Perform.

i. The Authority represents and warrants that the Authority has communicated with SRCF and that SRCF has stated that it is willing to accept all assets to be transferred to SRCF under the terms set forth in this Settlement Agreement. If any of the transferees is unable or refuses to receive any of the assets identified herein as assets to be transferred by the Foundation, or refuses to enter into the corresponding Transfer Agreement, the Parties will cooperate in good faith to achieve the desired outcome as outlined above, including, but not limited to, resuming a settlement conference and receiving any further reasonably necessary approvals from the Attorney General.

ii. Prior to the transfer of assets by the Foundation, SRCF, SJSU, Thiebaud and the Foundation shall each enter into the corresponding Transfer

Agreement. A failure by SRCF, SJSU, or Thiebaud to enter into the corresponding Transfer Agreement satisfactory to the Foundation for any Restricted Asset transferred under this Settlement Agreement shall be deemed to be an inability of or refusal by the transferee to receive such asset.

(e) Termination of Authority Interest. The Authority acknowledges that after the performance of the transfers set forth in this item 1, any interest of the Authority or claim by the Authority to any monies held by the Foundation or to which the Authority has an enforceable claim (including but not limited to, in the Children's Literacy Endowment, the Operations Endowment, the Investment Account and Checking Account, the Vested Bequests, the PayPal Account, and the Expected Pledges) shall be terminated, except as set forth in this Settlement Agreement. The foregoing release of interest does not apply to any assets to be transferred for the Authority's benefit under this Settlement Agreement.

(f) Representations and Warranties Regarding Financial Assets and Artwork. The Foundation represents and warrants that, as of the Record Date, it is unaware of other unrestricted bequests for which the Foundation has a current right to receive funds or outstanding pledges to the Foundation, other than those already disclosed during the settlement conference as set forth below in Section 1(f). The Foundation also represents and warrants that it holds no other Financial Assets or artwork not disclosed during the settlement conference or in this Settlement Agreement. The Vested Bequest amounts and Expected Pledges will be retained by the Foundation and will not be shared. If Financial Assets or artwork, in which the Foundation may have an interest, were not disclosed during the settlement conference or in this agreement, such Financial Assets or any artwork will be shared equally with the Authority. The Foundation makes no representation or warranty as to the amounts in any account currently held by the Foundation, but such amounts are subject to verification by the Authority in the manner set forth in this Settlement Agreement. The Authority represents and warrants that it is not aware of any incoming bequests or donations in which the Foundation has any interest. For purposes of this settlement agreement the term "Financial Asset" means any asset with a monetary value and that may be liquidated into immediately available funds and includes, but is not limited to, bank accounts and investment accounts, and excludes furniture, computers, and similar office equipment and furnishings.

(g) List of Financial Assets and Artwork Disclosed by the Foundation. A complete list of the Financial Assets and artwork in which the Foundation has an interest and disclosed during the settlement conference and/or in this Settlement Agreement is set forth below. The Foundation disclosed no other Financial Assets or artwork in which it has an interest during the settlement conference and discloses no other Financial Assets or artwork in which it has an interest in this Settlement Agreement. The amounts set forth in Section 1 of this Settlement Agreement in the Financial Assets listed below are approximate. The Foundation warrants that the approximations were made in good faith and with the best of its knowledge as to the actual amount, but this Settlement Agreement does not obligate the Foundation to transfer specific amounts, except as set forth in Sections 1(b)(vii), 1(b)(ix), 1(b)(xii), and 1(b)(xiv), above.

- i. The Artwork, as set forth in Section 1(b)(i).
- ii. The Books and Materials Endowment, as set forth in section 1(b)(ii).
- iii. The Sacramento Room Endowment, as set forth in section 1(b)(iii).
- iv. The Persian Endowment, as set forth in section 1(b)(iv).
- v. The Finegold Scholarship, as set forth in section 1(b)(v).
- vi. The Foundation's Operations Endowment, as set forth in section 1(b)(vi).
- vii. The Foundation's checking account, as set forth in section 1(b)(vii).
- viii. The Foundation's investment account, as set forth in section 1(b)(viii).
- ix. The Children's Literacy Endowment, as set forth in section 1(b)(ix).
- x. The Foundation's PayPal Account, as set forth in section 1(b)(x).
- xi. The Vested Bequests, as set forth in section 1(b)(xi).
- xii. The Expected Pledges, as set forth in section 1(b)(xii).
- xiii. The Sioukas Endowment, as set forth in section 1(b)(xiii).
- xiv. The Lion Logo, as set forth in section 2(a)(ii).

2. **Intellectual Property and Use of the Name "Sacramento Public Library"**

(a) **Intellectual Property.**

i. Assignment of names "Sacramento Public Library" and "Sacramento Public Library Foundation." Although the Parties do not agree on whether or to what extent the Foundation has any ownership or rights in the names and logos/marks SACRAMENTO PUBLIC LIBRARY and SACRAMENTO PUBLIC LIBRARY FOUNDATION, to the fullest extent of the Foundation's ownership or rights, the Foundation hereby transfers and assigns as of the Approval Date to the Authority all statutory and common law rights, title, and interest in and to the names SACRAMENTO PUBLIC LIBRARY and SACRAMENTO PUBLIC LIBRARY FOUNDATION and any associated logos and/or marks.

ii. Assignment of Lion Logo. To the fullest extent of the Foundation's ownership or rights, the Foundation hereby transfers and assigns as of the Approval Date to the Authority all statutory and common law rights, title, and interest in and to the Lion Logo (as exemplified in **Exhibit 7**) and any associated logos and/or marks as of the Approval Date.

iii. Lack of Interest by Authority. The Authority acknowledges that, after the Record Date, it has no right or interest in the Foundation's Walk4Literacy, Authors on the Move, or the Community Literacy Map, including, but not limited to, (a) the proceeds for such events; (b) the conduct of such events; (c) the trademarks, service marks, or trade names for such events; and (d) any other associated intellectual property after the Record Date.

**(b) The Foundation's Name Change.**

i. Foundation Name Change. The Foundation will keep its present nonprofit public benefit corporation (with 501(c)(3) exempt status) and change its name (as set forth in section 2(b)(iv), below) to reflect its new focus on literacy (new name to be determined, but shall not include "Sacramento Public Library"), and make all changes to its Articles of Incorporation and Bylaws necessary to effectuate its name change and new focus.

ii. Objection by Authority. The Parties agree that the new name of the Foundation in the form of "Sacramento Literacy Foundation" is acceptable to the Authority. If the Foundation wishes to use a name other than "Sacramento Literacy Foundation," the Foundation will first alert counsel for the Authority and if the Authority objects to use of the name, the Parties agree to consult with Judge Newman.

iii. Fictitious Business Name. No later than seven business days after the Record Date, the Foundation will submit a Fictitious Business Name Statement application in Sacramento County for use by the Foundation until the filing of its restated articles of incorporation with the California Secretary of State, and subject to the right of the Authority to object to the Foundation's chosen name (if other than "Sacramento Literacy Foundation"), as set forth herein. If the Foundation timely submits the Fictitious Business Name Statement application as set forth above, any delay on the part of Sacramento County or any other entity involved in the process shall not constitute a breach of this Settlement Agreement.

iv. Submission of Restated Articles. No later than seven business days after the Approval Date, the Foundation shall submit to the California Secretary of State restated articles of incorporation to accomplish the name change and other necessary revisions consistent with the terms of this Settlement Agreement. If the Foundation timely submits the restated articles of incorporation as set forth above, any delay on the part of the California Secretary of State in accepting such articles for filing shall not constitute a breach of this Settlement Agreement.

(c) **Use of “Sacramento Public Library” mark.**

i. Prohibitions on Use. Beginning on the Record Date, the Foundation shall not raise funds for the Library, nor any of its activities or programs, nor use the tradename “Sacramento Public Library” for fundraising without the express written consent of the Executive Director of the Library and the Authority. No later than seven business days after the Approval Date, the Foundation will cease all uses of “Sacramento Public Library” including, but not limited to the below listed 2(c)(ii)(a) and 2(c)(ii)(c)-(h), will assign the domain *saclibraryfoundation.org* to the Authority, and will stop using any email addresses with the domain @saclibraryfoundation.org except to the extent that is necessary to forward emails from that domain. After the Approval Date, the Foundation will only be permitted to use “Sacramento Public Library” to the extent permitted under (b) in the below Section 2(c)(ii) and as further defined in the below Section 2(c)(iii). Authority represents and warrants that it will not use any email addresses previously used by the Foundation or access Foundation email. A list of email addresses previously used by the Foundation is attached to this Settlement Agreement as **Exhibit 8**.

ii. Exceptions to Prohibition. Before the Approval Date, the Foundation may raise funds, so long as it does not use the name “Sacramento Public Library” for any purpose with the exception of (a) the use of “Sacramento Public Library” in any disclaimer; (b) the use of “Sacramento Public Library” in accordance with the fair use as further defined in Section 2(c)(iii) below; (c) the use of the name “Sacramento Public Library Foundation” (and the Foundation’s current logo) to refer to the Foundation on the Foundation’s websites, social media accounts, and receipts (including any material associated with such receipts) to donors for donations having been given; (d) continued use of “Sacramento Public Library Foundation” in existing email addresses and signatures for the Foundation and the Foundation employees; (e) continued use of existing signage at the Foundation’s office; (f) existing voicemail greetings for phone numbers belonging to the Foundation; (g) use of “Sacramento Public Library Foundation” on any bank accounts, investment accounts, or similar accounts held by the Foundation; and (h) use of existing business cards and letterhead of the Foundation and its employees. The Authority will not have any interest in or claim to funds raised in accordance with this provision, and will not use such fundraising as evidence against the Foundation in litigation should the Settlement Agreement not be approved. The Parties agree and acknowledge that mere receipt of funds intended for the benefit of the Library does not violate this provision, and all such funds will be handled as set forth elsewhere in this Settlement Agreement. Any funds raised by the Foundation after the Record Date in response to solicitations that do not use the name “Sacramento Public Library” (except in any disclaimer or as part of the fair use determined by the Parties in accordance with 2(c)(iii)) shall belong to the Foundation in their entirety.

iii. Fair use. The Parties agree that the Foundation may use the names “Sacramento Public Library” and “Sacramento Public Library Foundation” for



nominative fair use, both before and after the Approval Date. Nominative fair use shall constitute: (a) use of the names to properly identify the Foundation's history (including, but not limited to, identifying activities engaged in by the Foundation prior to the Foundation's name change), the Authority, or the Library; (b) use of the names as reasonably necessary for any corporate, regulatory, and/or tax filings in the ordinary course of business; and (c) for any documents reasonably necessary to accomplish the terms of this Settlement Agreement.

3. Dismissals and Other Filings.

(a) Complaint filed in the Eastern District of California. Within seven (7) business days after the receipt of all the funds and other assets to be transferred pursuant to Section 1 and 2 of this Settlement Agreement, the Authority shall file a Notice of Dismissal with the Court, with prejudice and with each Party bearing its own fees and costs. In addition to the foregoing, the Parties further agree to take all other steps reasonably necessary to effectuate the dismissal with prejudice of the Complaint.

(b) Complaint filed with the Attorney General. Within seven (7) business days of the Approval Date, the Authority will withdraw the complaint filed with the Attorney General. To the extent that such complaint can be withdrawn with prejudice, the Authority will do so.

(c) USPTO Application/Action. Following the Approval Date, the Authority, at its sole cost and expense, shall draft for the Foundation's review and approval, the paperwork necessary for the Foundation to promptly and expressly withdraw its pending application for federal registration of the mark SACRAMENTO PUBLIC LIBRARY FOUNDATION and the Foundation will promptly and expressly withdraw its pending application for federal registration of the mark SACRAMENTO PUBLIC LIBRARY FOUNDATION at the USPTO. The Authority will also dismiss the pending opposition action before the T.T.A.B. concerning the Foundation's application. The Authority shall pay any costs or fees associated with the withdrawal of the application and the dismissal of the opposition, including, but not limited to, any fees (excluding attorneys' fees not directly associated with the withdrawal of the application and the dismissal of the opposition) or costs incurred by the Defendants.

4. Mutual Releases. Upon the Approval Date, the Parties' Mutual Releases set forth below shall become immediately effective:

(a) Except for the obligations created by this Settlement Agreement, the Authority, as well as each of its agents, members, officers, directors, employees, and its affiliates, parents, subsidiaries, predecessors, successors and assigns, and for each of its affiliates, parents, subsidiaries, contracting parties, predecessors, successors and assigns, and each of them, separately and collectively (collectively the "Authority Releasers"), hereby release Defendants, and each of them, as well as their respective past and present employees, officers, directors, shareholders, partners, members, managing directors, agents, attorneys, servants, affiliates, parents, subsidiaries, predecessors, successors, assigns, insurers, and re-insurers, and each of their respective officers, directors, shareholders, partners, members, managing directors, agents, attorneys, servants, employees, affiliates, parents, subsidiaries, predecessors, successors, and assigns, and any and all of their respective predecessors, successors, heirs and assigns, separately

and collectively (collectively the “Foundation Releasees”), from any and all claims, liens, demands, charges, complaints, debts, liabilities, obligations, indemnities, agreements, suits, actions, causes and causes of action, losses, damages, penalties, costs, compensation, expenses, attorneys’ fees or things of whatever kind, nature or description, in any capacity whatsoever, known or unknown, discovered or undiscovered, suspected or unsuspected, vested or contingent, accrued or unaccrued, liquidated or unliquidated, direct, derivative or subrogated, in law or in equity, whether based upon tort, contract or any other theory of recovery whatsoever, that the Authority Releasers ever had, now have or may claim to have had against the Foundation Releasees as of the date of dismissal in connection with, related to, or arising, directly or indirectly, out of the Authority Complaint, the Foundation’s Answer, the Attorney General Complaint, the T.T.A.B Proceeding, or any of the facts, claims or allegations associated or related therewith.

(b) Except for the obligations created by this Settlement Agreement, the Foundation, as well as each of its agents, members, officers, directors, employees, affiliates, parents, subsidiaries, predecessors, successors and assigns, and for each of their respective affiliates, parents, subsidiaries, predecessors, successors and assigns, and each of them, separately and collectively (collectively the “Foundation Releasees”), hereby release the Authority, specifically including but not limited to Rivkah Sass, as well as Authority’s past and present officers, directors, shareholders, partners, members, managing directors, agents, attorneys, servants, employees, affiliates, parents, subsidiaries, predecessors, successors, assigns, insurers, and reinsurers, and each of their respective officers, directors, shareholders, partners, members, managing directors, agents, attorneys, servants, employees, affiliates, parents, subsidiaries, predecessors, successors and assigns, and any and all of their respective predecessors, successors, heirs and assigns, separately and collectively (collectively the “Authority Releasees”), from any and all claims, liens, demands, charges, complaints, debts, liabilities, obligations, indemnities, agreements, suits, actions, causes and causes of action, losses, damages, penalties, costs, compensation, expenses, attorneys’ fees or things of whatever kind, nature or description, in any capacity whatsoever, known or unknown, discovered or undiscovered, suspected or unsuspected, vested or contingent, accrued or unaccrued, liquidated or unliquidated, direct, derivative or subrogated, in law or in equity, whether based upon tort, contract or any other theory of recovery whatsoever, that the Foundation Releasers ever had, now have or may claim to have had against the Authority Releasees in connection with, related to, or arising, directly or indirectly, out of the Authority Complaint, the Foundation’s Answer, the Attorney General Complaint, the T.T.A.B. proceeding or any of the facts, claims or allegations associated or related therewith.

(c) The releases contained in Sections 4(a) and 4(b), above, do not apply to any common-law or statutory claim for indemnity, defense, and/or contribution made by any Party relating to any claim made by a third party on or after the Record Date relating to the assets transferred under this Settlement Agreement.

5. Release of Unknown Claims. With respect to the releases in Section 4, above, the Authority Releasers and the Foundation Releasers, and each of them, expressly waive and relinquish any right or benefit available to them in any capacity, including under the provisions of Section 1542 of the of California Civil Code, or any other statute or legal principle with similar effect, which provides:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

6. **Miscellaneous**

(a) **Donor List.** The Foundation will retain its donor list; however, any documents necessary to ensure proper implementation of donor recognition obligations with respect to assets transferred to SRCF under this Settlement Agreement, if any, will be provided to SRCF and the Library so donor requests can be honored.

(b) **Press Release / Statements.** Despite the settlement that was placed on the record with the Court, the Parties have since agreed to eliminate entirely from the settlement item 7 (referenced in the “Terms of Conditional Settlement In Sacramento Public Library Authority v. Sacramento Public Library Foundation et al., Case No. 2:20-CV-00678-WBS-KLN” that was placed on the record with the Court). As a result, the Parties agree that the settlement contains no obligation for any joint statement or press release.

(c) **Non-disparagement.** For a term of one year from the Record Date, the Authority, its board members, officers, and employees (including, but not limited to, the Library Executive Staff), and the Foundation, and its officers, directors, and employees shall not, and shall not induce others to, materially Disparage the Authority, the Library, or the Foundation, as well as each Parties’ officers, directors, and employees, past and present. “Disparage” shall mean making comments or statements alleged therein to the press, or any individual or entity with whom either of the Parties has a business relationship (including, but not limited to donors or potential donors to the Foundation or the Authority) that would adversely and materially affect in any substantial manner: (i) the fundraising activities of the Parties; or (ii) the reputation of the Parties, or the Parties’ officers, directors, or employees. “Disparage” does not include (i) making comments or statements related to past or future budgetary, governance, or other operational decisions and/or approvals made by the Authority, its board members, or officers; (ii) responding to official inquiries by communicating the facts or allegations underlying the dispute or the substance of the settlement terms or (iii) referring persons to or furnishing persons with the publicly-available documents or information in the Court’s file relating to the Federal Action (excluding the Parties’ settlement conference statements) or the publicly-available information in the USPTO file. In the event that a Party believes a violation of this section has occurred, the Party shall follow the procedures set forth in this Settlement Agreement for addressing such violation. The remedies for any violation of this section shall be limited to injunctive relief, including, but not limited to, the issuance of a retraction. The foregoing shall be the exclusive remedy for any violation of this section and no damages shall be awarded for any violation of this section. Nothing in this section shall proscribe any Party from soliciting donations.

(d) Approvals.

i. This Settlement Agreement is conditioned on the approval of the respective boards of the Foundation and the Authority. The Parties will seek in good faith to obtain the necessary Board approval for the execution of the Settlement Agreement. If either Board rejects the proposed Settlement Agreement the Parties will return to Judge Newman for further settlement proceedings.

ii. The Parties will prepare a stipulation and proposed order for Judge Newman's signature requesting that, within 30 days, the Attorney General ("AG") issue in writing an unqualified approval of this Settlement Agreement (including, but not limited to, the asset transfers contemplated herein) (the "AG Approval"). The form of the stipulation and proposed order to be signed by Judge Newman is attached hereto as **Exhibit 9**. Upon signature by Judge Newman to the stipulation and proposed order, the Parties (by and through their respective counsel) will jointly transmit to the AG the foregoing stipulation and order signed by Judge Newman with a request that the AG issue to the counsel for each one of the Parties the AG Approval. (The foregoing written request with the stipulation and order signed by Judge Newman submitted to the AG is referred to as the "AG Notice".)

iii. This Settlement Agreement is conditioned on the AG providing the AG Approval to all of the Parties' respective counsel within 60 days following service of the AG Notice ("Approval Period"). The Parties agree that, if by the expiration of the Approval Period each and every one of the Parties and their counsel have not received from the AG any response of any kind, then AG Approval will be deemed to have been obtained. (Each and every one of the Parties and their respective counsel will promptly inform the others (through counsel) of any communication with or response from the AG that occurs after the AG Notice has been submitted to the AG.)

iv. If AG Approval is not obtained within the Approval Period, the Parties will cooperate in good faith to obtain the Attorney General's written approval or return to a further settlement conference with Judge Newman in an effort to reach an alternative resolution.

v. For the purposes of this Settlement Agreement, including, but not limited to, Section 6(d)(ii), above, the term "Proposed Asset Transfers" shall refer to the following transfers:

- (1) The transfer of the Artwork, as set forth in Section 1(b)(i);
- (2) The transfer of the Books and Materials Endowment, as set forth in Section 1(b)(ii),
- (3) The transfer of the Sacramento Room Endowment, as set forth in Section 1(b)(iii),

- (4) The transfer of the Persian Endowment, as set forth in Section 1(b)(iv),
- (5) The transfer of the Finegold Scholarship, as set forth in Section 1(b)(v),
- (6) The transfer of \$325,000 to the Authority, as set forth in Section 1(b)(xii), and
- (7) The Transfer of the Sioukas Endowment, as set forth in Section 1(b)(xiii).

(e) Enforcement. Judge Kendall. J. Newman for the United States District Court, Eastern District of California, will retain jurisdiction to enforce the terms of this Settlement Agreement.

(f) Violations of this Settlement Agreement. If any Party contends that any other Party has violated any obligation under this Settlement Agreement, the Party claiming such violation shall send a written notice to counsel for the Party allegedly committing the violation. The Parties shall then meet and confer and the Party committing the alleged violation shall have a reasonable opportunity to cure the violation. If a cure is not completed within a reasonable time, the matter shall be referred to Judge Newman for a further settlement conference among the Parties. These obligations shall be a condition precedent to any suit regarding the alleged violation. If an alleged violation of this Settlement Agreement is cured in accordance with this section, there shall be no further remedy or claim resulting from such alleged violation.

(g) Further Assurances. The Parties shall execute such other and further documents as may be necessary or proper in order to consummate this Settlement Agreement.

(h) Lack of Duress. The Parties represent and warrant that they have each read this Settlement Agreement and that this Settlement Agreement has been executed of their own free will. The Parties further warrant and represent that no statements, representations, duress, coercion, promises, or warranties were made by any other Party or its representatives to influence, induce, or cause them to enter into this Settlement Agreement, other than statements and representations specifically recited in this Settlement Agreement. Each Party further represents and warrants that, in entering into this Settlement Agreement, it has not relied upon any representations by or on behalf of another Party other than those representations expressly set forth in writing in this Settlement Agreement.

(i) No Mistake. The Parties warrant and represent that they enter into this Settlement Agreement freely and voluntarily upon their own information and investigation. This Settlement Agreement is intended to be final and binding regardless of any mistake of fact or law.

(j) Entire Agreement; Amendment; Waiver. This Settlement Agreement and its attachments finally and fully embody the entire agreement between the Parties relating to the subject matter hereof. No covenants, agreements, representations, or warranties of any kind whatsoever have been made by any Party hereto, except as specifically set forth in the Settlement

Agreement. All prior agreements, understandings, and undertakings by and between the Parties are incorporated into and are superseded by this Settlement Agreement. The Parties understand and agree that this Settlement Agreement may not be modified except in writing signed by all Parties. Any failure of a Party to insist on strict compliance with any term, undertaking or condition of this Settlement Agreement shall not be deemed to be a waiver of such term, undertaking, or condition. To be effective, a waiver must be in writing, signed and dated by all Parties.

(k) No Admission of Liability. This Settlement Agreement is entered into to settle and avoid further litigation between the Parties. Nothing contained in this Settlement Agreement shall be construed as an admission of liability on the part of any Party, and any such wrongdoing or liability is expressly denied.

(l) Termination of Relationship. The Parties acknowledge that all contracts, agreements, understanding, and other obligations between Plaintiff, on the one hand, and Defendants, and each of them, on the other hand, except for this Settlement Agreement, are terminated as of the Approval Date. Apart from those obligations contained within this Settlement Agreement, the Parties shall have no further obligations to each other.

(m) Review by Counsel. The Parties to this Settlement Agreement represent and warrant that they have had full opportunity to consult with counsel of their selection in the negotiation and execution of this Settlement Agreement, that their counsel have, in fact, reviewed this Settlement Agreement, and that they have been fully advised by their counsel of the legal and practical effects of this Settlement Agreement.

(n) Construction. The Parties acknowledge and agree that this Settlement Agreement is the product of joint draftsmanship. The Parties further agree that the terms and provisions of this Settlement Agreement will be construed fairly as to all the Parties and not in favor or against any individual Party. The rule of construction that ambiguities in an agreement can be construed against the party responsible for drafting the agreement or otherwise causing an ambiguity shall not be applied to this Settlement Agreement.

(o) Severability. The provisions of this Settlement Agreement are severable, and if any provision or part of this Settlement Agreement, or any section, paragraph, sentence, clause, phrase, term, word or the application thereof, in any circumstance, is held void or invalid by a court of competent jurisdiction, then it shall be deemed to be excised and the invalidity thereof shall not affect any of the other provisions, sections, paragraphs, sentences, clauses, phrases, terms, or words of this Settlement Agreement. The court shall, however, to the extent possible, construe all of the provisions, sections, paragraphs, sentences, clauses, phrases, terms, and words of this entire Settlement Agreement so as to make the same enforceable.

(p) Attorneys' Fees and Costs. Each Party shall bear its own attorneys' fees and costs that were incurred prior to and including the preparation, execution, and delivery of this Settlement Agreement. In the event that there is any litigation arising out of or relating to this Settlement Agreement, the prevailing Party shall recover, in addition to any and all other relief, its reasonable attorneys' fees and costs.

(q) Successors and Assigns. This Settlement Agreement will inure to the benefit of and be binding upon the Parties and their respective successors, assigns, and transferees.

(r) Choice of Law. This Settlement Agreement shall be construed in accordance with the laws of the State of California without regard to any conflict of laws analysis.

(s) Jurisdiction and Venue. With respect to any litigation commenced for the purposes of interpretation or enforcement of the terms and conditions of this Settlement Agreement, the Parties consent and waive any objection to jurisdiction and venue in the Eastern District of California, in Sacramento, CA.

(t) Counterparts. This Settlement Agreement may be executed in one or more counterparts, including by facsimile or electronic (e.g., .pdf) transmission, each of which shall be deemed an original and all of which together constitute one and the same instrument.

(u) Warranty of Authority. Each and every person executing this Settlement Agreement in a representative capacity represents and warrants that they are authorized to do so.

(v) Warranty of Ownership of Claims. The Parties, and each of them, represent and warrant that they are the sole and lawful owners of all right, title, interest in and to every claim which they release herein, and that they have not heretofore assigned or transferred, or purported to assign or transfer, to any person, firm or entity any claims or other matters herein released.

(w) Time of the Essence; Dates. Time is of the essence of this Settlement Agreement. In the event that any date specified in this Settlement Agreement falls on Saturday, Sunday or other day on which public agencies and major banks are not open for business (each a “Non-Business Day”), such date shall be deemed to be the succeeding business day. For purposes of this Settlement Agreement, a “business day” shall mean a day other than a Non-Business Day.

(x) Notice. Any notice, demand, approval, consent, or other communication required or desired to be given under this Agreement shall be given electronically via electronic mail. Notice given under this paragraph will be deemed to have been given at the time of transmission of the entire communication provided that transmission occurs during the period between 8:00 a.m. and 5 p.m., Pacific Time, on business days. Any electronic mail transmitted outside of the foregoing time period shall be deemed to have been transmitted at 8:00 a.m. on the next business day. All notices, demands, approvals, consents, or other communications shall be addressed as follows:

If to Plaintiff:

Sacramento City Attorney’s Office  
Attn: Jennifer Gore  
JVGore@cityofsacramento.org

With a copy to:

Hanson Bridgett LLP  
Attn: Andrew W. Stroud

astroud@hansonbridgett.com  
Attn: Rosanna W. Gan  
rgan@hansonbridgett.com

If to Defendants:

Sacramento Literacy Foundation  
Attn: April Javist  
april@sacramentoliteracy.org

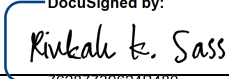
With a copy to:

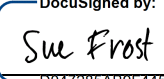
Murphy Austin Adams Schoenfeld LLP  
Attn: Michael R. O'Neil  
moneil@murphyaustin.com  
Attn: Peter A. Austin  
paustin@murphyaustin.com

The Parties, intending to be legally bound, hereby execute this Settlement Agreement as of the day and year set forth above.

**BY PLAINTIFF:**

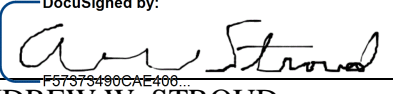
SACRAMENTO PUBLIC LIBRARY AUTHORITY

DocuSigned by:  
  
By: RIVKAH SASS  
Its: Library Director and CEO  
Dated: 1/21/2021

DocuSigned by:  
  
By: SUE FROST  
Its: Chair  
Dated: 1/21/2021

**Approved as to form:**

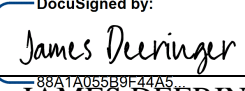
HANSON BRIDGETT LLP

DocuSigned by:  
  
ANDREW W. STROUD  
Attorneys for Plaintiff Sacramento Public Library Authority

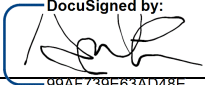
**BY DEFENDANTS:**

SACRAMENTO PUBLIC LIBRARY FOUNDATION

DocuSigned by:  
  
By: APRIL L. JAVIST  
Its: Executive Director  
Dated: 1/20/2021

DocuSigned by:  
  
By: JAMES DEERINGER  
Its: President  
Dated: 1/21/2021

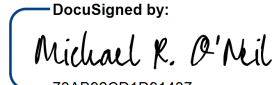


DocuSigned by:  
  
99AF739E63AD48E...  
APRIL L. JAVIST, individually  
Dated: 1/20/2021

DocuSigned by:  
  
88A1A055B91-44A5...  
JAMES DEERINGER, individually  
Dated: 1/21/2021

**Approved as to form:**

MURPHY AUSTIN ADAMS SCHOENFELD LLP

DocuSigned by:  
  
73AD02CD1D91437...  
MICHAEL R. O'NEIL  
Attorneys for Defendants Sacramento Public Library Foundation,  
April Javist and James Deeringer

# **EXHIBIT 1**

## AGREEMENT FOR TRANSFER OF ARTWORK

This Agreement for Transfer of Artwork (“Transfer Agreement”) is entered into by and among the Sacramento Public Library Foundation (“SPLF”), the Sacramento Region Community Foundation (“SRCF”), and Wayne Thiebaud (“Thiebaud”) as of December 15, 2020 (for reference purposes). SPLF, SRCF, and Thiebaud are each a “Party” and collectively the “Parties”.

### RECITALS

A. In a settlement agreement (“Settlement Agreement”), the SPLF and the Sacramento Public Library Authority (“SPLA”) settled litigation commenced by the SPLA against the SPLF. The Settlement Agreement provides for, among other things, the transfer to SRCF of a Thiebaud painting entitled *River Views, 2003*, acrylic, pastel, charcoal and chalk on canvas, 48 x 72 inches (the “Painting”).

B. Thiebaud donated the Painting to SPLF in 2003, subject to conditions set forth in a donation letter dated September 12, 2003 (the “2003 Donation Letter”), which is attached hereto and made a part hereof. Pursuant to the conditions set forth in the 2003 Donation Letter, the Painting has since the time of its donation been on permanent display at the Sacramento Public Library.

C. By letter dated December 2, 2020 (the “2020 Donation Letter”), which is attached hereto and made a part hereof, Thiebaud’s agent, LeBaron’s Fine Art, has confirmed the conditions upon which Thiebaud is willing to consent to the transfer of the Painting from SPLF to SRCF.

D. The purpose of this Transfer Agreement is to establish the terms and conditions of the transfer of the Painting from SPLF to SRCF.

### AGREEMENT

In consideration of the SPLF’s transfer of the Painting to SRCF and SRCF’s compliance with the conditions of transfer set forth in the 2020 Donation Letter, the Parties agree as follows:

1. Acceptance of Transfer Subject to Specified Conditions. SPLF agrees to transfer the Painting to SRCF pursuant to the terms of this Transfer Agreement. SRCF hereby accepts transfer of the Painting upon the terms set forth in this Transfer Agreement and in the 2020 Donation Letter. The transfer of the Painting by SPLF to SRCF is conditioned upon AG Approval and shall take place within 10

business days after the date on which AG Approval has been obtained by SPLF and SPLA pursuant to the terms of the Settlement Agreement. (The term "AG Approval" has the meaning set forth in the Settlement Agreement.)

2. SPLF Is Transferor/Not Donor. SRCF acknowledges and agrees that the SPLF is not the donor of the Painting, and SPLF shall not be treated for any purpose as a donor of the Painting. A purpose of this Transfer Agreement is to substitute SRCF for SPLF owner of the Painting, subject to Thiebaud's conditions of transfer, such that SPLF will have no further right or responsibility in connection with the Painting except for the rights arising from this Transfer Agreement.

3. No On-Going Duty of SPLF. Following transfer of the Painting pursuant to this Transfer Agreement, the SPLF shall have no duty with respect to either (i) monitoring compliance with any conditions of the transfer, as expressed in this Transfer Agreement and in the 2020 Donation Letter, by either the SRCF or the SPLA; or (ii) the care, protection, or management of the Painting.

4. No Modification by Separate Agreement or Understanding. The SRCF acknowledges and agrees that any agreement or understanding that SRCF has entered into or may enter into with the SPLA shall not alter any of the terms set forth in this Transfer Agreement.

5. Counterparts. This Transfer Agreement is effective once signed by all of the Parties, and may be executed in counterparts, each of which shall be deemed an original (including copies sent to a party by facsimile transmission or in portable document format (pdf)) as against the Party signing such counterpart, but which together shall constitute one and the same instrument.

6. Governing Law. This Transfer Agreement shall be governed and construed in accordance with the laws of the State of California.

7. Amendments. Any modification, alteration, or amendment of this Agreement must take the form of a writing signed by all of the Parties that states that it is an amendment to this Transfer Agreement.

8. Conflicting Provisions. If and to the extent that any provision in the attached 2020 Donation Letter conflicts with any of the foregoing paragraphs 1 through 7 above, then the provisions set forth in paragraphs 1 through 7 above shall control.

SACRAMENTO PUBLIC LIBRARY FOUNDATION

Dated: \_\_\_\_\_

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

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

Title: \_\_\_\_\_

Dated: \_\_\_\_\_

SACRAMENTO REGION COMMUNITY FOUNDATION

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

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

Title: \_\_\_\_\_

Dated: \_\_\_\_\_

\_\_\_\_\_  
WAYNE THIEBAUD

## LEBARON'S FINE ART

1714 CAPITAL AVENUE • SACRAMENTO, CA 95814 P.O. BOX 189460 • SACRAMENTO, CA 95818-9460  
TELEPHONE (916) 444-1001 FAX (916) 444-1177

September 12, 2003

Ms. Julianne Campbell, President  
Sacramento Public Library Foundation  
828 I Street  
Sacramento, CA 95814

Dear Ms. Campbell:

After pledging a custom painting to be displayed in the Sacramento Public Library's Sacramento Room, the Thiebaud family is delighted to presently offer a new painting as a gift to the Sacramento Public Library Foundation. The object information for the donated piece is as follows:

Artist:	Wayne Thiebaud
Title:	<i>River Views</i>
Date:	2003
Medium:	acrylic, pastel, charcoal, and chalk on canvas
Size:	48 x 72 inches
Insurance Value:	\$1,000,000.00
Credit line:	The Thiebaud Family

The Thiebaud family asks the Sacramento Public Library Foundation to comply with the following requests as conditions of the donation:

1. The painting must remain with the Sacramento Public Library Foundation in perpetuity.
2. The painting must be publicly viewed and displayed in a permanent public setting.
3. The frame is integral to the work; therefore, the frame shall not be augmented or modified in any manner.

In receiving and accepting the donation, we must expressly state the gift does not include the copyright to reproduce the work in any manner. Rather, Wayne Thiebaud, as the artist and creator, retains that right. As such, if the work is ever to be reproduced, non-exclusive rights in writing can be granted through Visual Artists and Galleries Association (VAGA.) VAGA can be contacted directly at 212-736-6666. Customarily, there are fees associated with reproduction;

however, the fees are consistent with the industry standard.

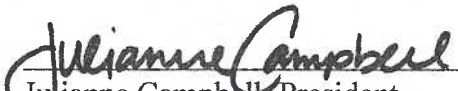
If the Sacramento Public Library Foundation is in agreement with the terms set forth, please sign and date in the space provided below. Please retain one original copy for your records. The Thiebaud family is honored to contribute to the history of Sacramento and the Sacramento Public Library Foundation. I look forward to working with you to facilitate this donation. Thank you.

Best regards,

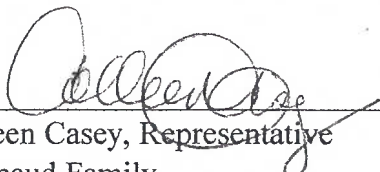


Colleen Casey

cc: The Thiebaud family

  
\_\_\_\_\_  
Julianne Campbell, President  
Sacramento Public Library Foundation

Date: 9-18-03

  
\_\_\_\_\_  
Colleen Casey, Representative  
Thiebaud Family

Date: 9-12-03

## LEBARON'S FINE ART

P.O. BOX 189460 • SACRAMENTO, CA 95818-9460 1714 CAPITOL AVENUE • SACRAMENTO, CA 95811  
TELEPHONE (916) 444-1001 FAX (916) 444-1177

December 2, 2020

Ms. Rivkah K. Sass  
Sacramento Public Library  
828 I Street  
Sacramento, CA 95814

SENT VIA ELECTRONIC MAIL to [rsass@saclibrary.org](mailto:rsass@saclibrary.org)

Dear Ms. Sass,

The purpose of this letter is to modify the original donation agreement between the Sacramento Public Library Foundation and the Thiebaud family dated September 12, 2003 for the Wayne Thiebaud painting *River Views*, 2003, acrylic, pastel, charcoal and chalk on canvas, 48 x 72 inches.

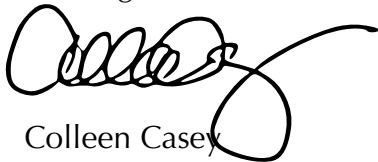
The Sacramento Region Community Foundation must comply with the following modified conditions of the donation:

1. The painting is to remain with the Sacramento Community Region Foundation in perpetuity.
2. The painting must be publicly viewed and permanently displayed in a public setting at the Sacramento Public Library.

The previously agreed upon conditions regarding copyright still apply to the gift. Namely, copyright does not transfer and remains with the creator, Wayne Thiebaud. If the image is to be reproduced in print or digital format, a non-exclusive license can be obtained by contacting VAGA at ARS/NY at (212) 420-9160 or [info@arsny.com](mailto:info@arsny.com).

If the aforementioned terms are agreeable to the Sacramento Community Region Foundation and the Sacramento Public Library, please sign and date below. A countersigned copy will be provided upon receipt.

Best regards,



Colleen Casey



## LEBARON'S FINE ART

P.O. BOX 189460 • SACRAMENTO, CA 95818-9460 1714 CAPITOL AVENUE • SACRAMENTO, CA 95811  
TELEPHONE (916) 444-1001 FAX (916) 444-1177

Page 2 of 2  
December 2, 2020  
Ms. Rivkah Sass

\_\_\_\_\_ Date: \_\_\_\_\_  
Ms. Rivkah K. Sass, Director & CEO  
Sacramento Public Library

\_\_\_\_\_ Date: \_\_\_\_\_  
Wayne Thiebaud

# **EXHIBIT 2**

**AGREEMENT FOR TRANSFER AND ADMINISTRATION  
OF BOOKS AND MATERIALS ENDOWMENT**

This Agreement for Transfer and Administration of Books And Materials Endowment (“BAM Agreement”) is entered into by and between the Sacramento Public Library Foundation (“SPLF”) and the Sacramento Region Community Foundation (“SRCF”) as of December 15, 2020 (for reference purposes). SPLF and SRCF are each a “Party” and collectively the “Parties”.

RECITALS

A. In a settlement agreement (“Settlement Agreement”), the SPLF and the Sacramento Public Library Authority (“SPLA”) settled litigation commenced by the SPLA against the SPLF. The Settlement Agreement provides for, among other things, the transfer to SRCF of the Books And Materials Endowment (the “Fund”) for which the SPLF has been the fiduciary and administrator. The SPLA is the sole beneficiary of the Fund.

B. The purpose of this BAM Agreement is to establish the terms and conditions of such transfer.

AGREEMENT

In consideration of the SPLF’s transfer of the Fund to SRCF and the continuing benefit conferred upon the SPLA by the administration of the Fund by SRCF, the Parties agree as follows:

1. Acceptance of Transfer Subject to Designated Fund Agreement. The SRCF hereby accepts from SPLF transfer of Fund upon the terms set forth in this BAM Agreement. SPLF agrees to transfer to SRCF the Fund pursuant to this BAM Agreement. The transfer of the Fund by SPLF to SRCF is conditioned upon AG Approval and shall take place within 10 business days after the date on which AG Approval has been obtained by SPLF and SPLA pursuant to the terms of the Settlement Agreement. (The term “AG Approval” has the meaning set forth in the Settlement Agreement.) SRCF agrees to administer the Fund in perpetuity upon the terms and conditions as have been established by SPLF, which are expressed in this BAM Agreement (which includes the attached Designated Fund Agreement (the “DFA”)). The DFA is incorporated into this BAM Agreement and made a part hereof. SRCF agrees that the charitable purpose of the Fund expressed in this BAM Agreement shall not be modified.

2. SPLF Is Transferor/Not Donor. SRCF acknowledges and agrees that the SPLF is a transferor of the Fund, and that SPLF is not the donor or founder of the

Fund and SPLF shall not be treated for any purpose as a donor or a founder of the Fund. A purpose of this BAM Agreement is to substitute SRCF for the SPLF as fiduciary and administrator of the Fund such that SPLF will have no further right or responsibility in connection with the Fund except for the rights arising from this BAM Agreement.

3. Use of Distributed Funds for Charitable Purpose. The SRCF agrees that SRCF will obligate SPLA to use any and all amounts that SPLA receives from SRCF from the Fund exclusively for the charitable purpose described in this BAM Agreement. SRCF agrees that SRCF will legally obligate SPLA to report in writing to the SRCF each year on the use by SPLA of the prior year's funds distributed from the Fund by SRCF to SPLA. The reporting required by SRCF of SPLA shall be in form and substance sufficient to allow SRCF to determine whether SPLA has used the funds in a manner that satisfies the charitable purpose of the Fund.

4. No On-Going Duty of SPLF. Following transfer of the Fund pursuant to this BAM Agreement, the SPLF shall have no duty with respect to (i) any monitoring of the performance of any of the obligations of either the SRCF or the SPLA with respect to the Fund or this BAM Agreement; and (ii) the administration, care, management, or administration of the Fund.

5. No Modification by Fund Beneficiary. The SRCF acknowledges and agrees that any agreement or understanding that SRCF has entered into or may enter into with the SPLA does not and shall not alter any of the terms set forth in this BAM Agreement. As Fund beneficiary, SPLA will periodically provide SRCF with contact information for its Fund representative who will have access to Fund information.

6. Counterparts. This BAM Agreement is effective once signed by all of the Parties, and may be executed in counterparts, each of which shall be deemed an original (including copies sent to a party by facsimile transmission or in portable document format (pdf)) as against the Party signing such counterpart, but which together shall constitute one and the same instrument.

7. Governing Law. This BAM Agreement shall be governed and construed in accordance with the laws of the State of California.

8. Amendments. Any modification, alteration, or amendment of this Agreement must take the form of a writing signed by all the Parties that expressly states that it is an amendment to this BAM Agreement.

9. Contact Information: Contact information for each SRCF and SPLF follows:

For SRCF:  
[TO BE COMPLETED]

For SPLF:  
President  
Sacramento Public Library Foundation (later the Sacramento Literacy Foundation)  
3830 Random Lane  
Sacramento, CA 95864  
916-705-4463

AND

Executive Director  
Sacramento Public Library Foundation (later the Sacramento Literacy Foundation)  
2411 Alhambra Blvd., Suite 120  
Sacramento, CA 95817  
916-836-3540

10. Conflicting Provisions. If and to the extent that any provision in the attached DFA conflicts with any of the foregoing paragraphs 1 through 9 above, then the provisions set forth in paragraphs 1 through 9 above shall control.

Dated: \_\_\_\_\_ SACRAMENTO PUBLIC LIBRARY FOUNDATION  
By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Dated: \_\_\_\_\_ SACRAMENTO REGION COMMUNITY FOUNDATION  
By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_





## GIFT TO ESTABLISH FUND

- Check for \$ \_\_\_\_\_ payable to Sacramento Region Community Foundation
- Marketable securities: \_\_\_\_\_ shares of \_\_\_\_\_ stock
- Mutual funds
- Real estate
- IRA/retirement plan/insurance policy
- Will/bequest/trust (*Please provide a copy of the relevant portion of the document.*)
- Other (please describe) \_\_\_\_\_

## INVESTMENTS

*Please refer to **Fund Terms and Conditions** for more information on Investment policies.*

This Fund is an:

- ENDOWED FUND** – fund will be permanent; it will be invested to provide an annual amount that will be spent to carry out the fund’s charitable purpose in perpetuity.
- EXPENDABLE FUND** – fund may make grant distributions until all fund assets are exhausted. A minimum balance of \$500 is required to keep this fund open.

If you checked Expendable Fund, please choose one of the options below. You may select the investment option that closely matches your timing for making grants.

- SHORT TERM PORTFOLIO** – provides a high level of liquidity for funds with short-term grantmaking strategies (spending horizon of 1-3 years)
- INTERMEDIATE TERM PORTFOLIO** – balances mild liquidity needs with a reasonable level of expected appreciation over full market cycles (spending horizon of 3-5 years)
- LONG TERM PORTFOLIO** – mirrors the endowment investment strategy as closely as possible with the intention of maintaining assets within the pool for a longer time frame (over 5 years)



DESIGNATED ORGANIZATIONS

Please indicate the charitable organization(s) you wish your Fund to support. If more than one organization is supported, percentages must total 100%. If your Fund is endowed, the amount distributed will be the amount made available to spend, as determined by the Foundation's spending policy. (If additional space is required, please see Special Instructions section.)

- 1. SacPublicLibraryAuthority 100 %    2. \_\_\_\_\_ %
- 3. \_\_\_\_\_ %    4. \_\_\_\_\_ %

SUCCESSION PLAN

In the event that any of the organizations you have designated for support dissolves or ceases to exist, you may request that the portion be redirected in one of the ways set out below.

- To the remaining organizations.
- To the organization that most closely matches the original designee.
- To the following nonprofit organization(s):  
\_\_\_\_\_
- To benefit organizations conducting charitable work in the following "field of interest" (you may indicate purpose and/or geographic area):  
\_\_\_\_\_
- To organizations addressing the community's greatest needs through the *Community Impact Fund*, as determined by the Foundation's Board of Directors
- To help continue the Foundation's work well into the future through the *Friends of the Foundation Endowment*.

SUPPORT FEES

Please refer to **Fund Terms and Conditions** for more information on Fee policies.

Support fees are determined by the level of service required to administer this Fund as well as by the amount in the Fund, and are initially set at the time the agreement is signed. Fees reflect whether the funds are assessed on a per-grant basis or annually on a percentage of the annual fund balance. If the annual percentage applies to the Fund, the fee is calculated monthly and paid directly to the Foundation from the Fund on a monthly basis. The minimum annual Support Fee on Designated Funds is \$250.00.

To be completed by the Foundation:

The annual Support Fee for the \_\_\_\_\_ Fund shall be the greater of \$250.00 or either of the following [ \_\_\_\_\_ % of the fair market value of the Fund per annum/ \_\_\_\_\_ % of distributions from the Fund].

- I have included a gift to the Fund at Sacramento Region Community Foundation in my estate plan. (Please provide a copy of the relevant portion of the document.)





#### ONLINE ACCESS TO FUND INFORMATION

All Fund Contacts are automatically signed up for the Foundation's online fund service, **DonorCentral**. With **DonorCentral**, Fund Contacts are able to view fund information at any time. Fund Advisors are also able to submit grant recommendation electronically. Unique login and password information are provided to each Contact.

#### SUPPORTING THE FOUNDATION

The Foundation's operating expenses are covered by modest Support Fees and the generosity of caring donors. We invited you to consider a contribution to the *Friends of the Foundation Endowment* to support the Foundation's operations. Your gift will ensure that the Foundation will continue to be responsive to community needs and work toward expanding philanthropy in this region. If you would like to support the *Friends of the Foundation Endowment*, please select one of these two options.

- \_\_\_\_\_ % or \$ \_\_\_\_\_ annually
- One-time gift of \$ \_\_\_\_\_

#### PLEASE TELL US HOW YOU LEARNED ABOUT THE FOUNDATION

- My Advisor \_\_\_\_\_
- Current Fundholder \_\_\_\_\_
- Foundation Board/Former Board \_\_\_\_\_
- Foundation Staff/Visibility \_\_\_\_\_
- Website \_\_\_\_\_
- Mailing \_\_\_\_\_
- Capital Public Radio \_\_\_\_\_
- KVIE Public Television \_\_\_\_\_
- Lodi Community Foundation \_\_\_\_\_
- Yolo Community Foundation \_\_\_\_\_
- Other \_\_\_\_\_



PROFESSIONAL ADVISORS

Many donors open funds with the Foundation with advice from an attorney, accountant, financial advisor, or other professional. These individuals may also be involved in the transfer of assets into your Fund. It is helpful to know who these advisors are. (Contact information is not shared outside the Foundation.)

ADVISOR 1

Name

Type of Advisor (check one)
Attorney CPA Financial Planner Other

Name of Firm

Business Address

City

State ZIP

Business Phone Business FAX

Email Address

ADVISOR 2

Name

Type of Advisor (check one)
Attorney CPA Financial Planner Other

Name of Firm

Business Address

City

State ZIP

Business Phone Business FAX

Email Address



## SPECIAL INSTRUCTIONS

*Please provide any additional information or instructions pertaining to your Fund.*

Funds distributed from this Endowment shall be used by the Sacramento Public Library Authority ("SPLA") to purchase books and materials that meet the criteria set forth in the Library's Collection Development Guidelines.

The Endowment funds may only be used to supplement, not supplant, the budgeted service for Books and Materials. The SPLA has an established materials budget. The materials budget must be maintained, increased, or decreased at the same or similar rates to other funded Library services. Distributions will not be used for permanent payroll positions.

This Policy shall supersede any and all discussions and documents pertaining to the Endowment previously agreed upon by the Sacramento Public Library Authority, the Friends of the Sacramento Public Library, and the Sacramento Public Library Foundation.

## TERMS AND CONDITIONS

### TAX STATUS OF CONTRIBUTION

Funds established at the Sacramento Region Community Foundation (“Foundation”) and its affiliates are component funds of the Foundation, a Section 501(c)(3) public benefit corporation. All contributions to the Foundation’s funds are treated as gifts to a Section 501(c)(3) public charity and are tax-deductible, to the extent allowed by law, subject to individual and corporate limitations. Acceptance of all gifts is subject to the provisions of the Foundation’s Gift Acceptance Policy. Any assets contributed to funds at the Foundation, once accepted by the Board of Directors of the Foundation, represent unconditional and irrevocable gifts and are not refundable. Legal control and responsibility for the funds rest with the Foundation.

### VARIANCE POWER

All funds established at the Foundation are subject to the Foundation’s “variance power,” as set forth in its Bylaws. Variance power grants the Foundation’s Board of Directors the power to modify any condition or restriction on the distribution of funds for any specified charitable purpose or purposes, or to a specified organization or organizations if, in its sole judgment (without the necessity of the approval of any other party), such restriction or condition becomes, in effect, unnecessary, incapable of fulfillment, or inconsistent with the charitable needs of the community or area served by the Foundation.

### INVESTMENT OF ASSETS

All assets contributed to funds established at the Foundation are invested in the Foundation’s investment pools and are managed in accordance with the Foundation’s Investment Policy Statement (IPS). A copy of the Foundation’s current Investment Policy Statement is available upon request.

For the purposes of investments, the Foundation does not segregate the assets of any single fund from the assets of the Foundation’s other component funds, but will keep a separate account of the fund’s assets, and the fund’s proportionate share of all investment earnings and investment fees applied to the fund. In establishing a fund, the donor acknowledges that the investments in the fund are subject to market and interest rate fluctuations. All investment returns are reported net of all investment fees.

All endowed funds are invested in the Foundation’s endowment pool. For expendable funds, the Donor may select from a number of expendable pools. The asset allocation of these pools is geared towards the donor’s spending horizon for the fund. Annually, the donor may select to move to a different pool.

### SPENDING RULES

**Endowed funds:** The spending policy for endowed funds, contained in the IPS, utilizes a formula to determine the amount available to grant from a fund each year. It is designed to maintain a level of current spending while preserving the endowment in order to support future spending. The Foundation shall appropriate for expenditure, for the purposes for which the Fund is established, so much of the Fund as the Foundation deems prudent, in accordance with the Uniform Prudent Management of Institutional Funds Act (UPMIFA) (as amended from time to time) and the Spending Policy adopted by the Foundation (as amended from time to time).

The amount available to spend (ATS) is determined by calculating the rolling average fair market value of the Fund over the previous 12 quarters (or since inception for funds less than three years old). This rolling average is then multiplied by the current spending percentage to arrive at the amount available to spend from the Fund in the following year. The Board reviews its spending policy annually, and may increase or decrease the percentage available to spend. **As of the approval date of this agreement, the spending policy is 4%.**



Endowed funds established before the end of the third quarter (September 30) will have an ATS amount as of January immediately following the establishment of the Fund. Endowed funds established during the fourth quarter will not have an available to spend amount in the January immediately following the establishment of the Fund, but they will have an ATS amount the next January.

**Expendable funds:** The current balance of an expendable fund (excluding uncleared checks and pending stock transfers) must be adequate to cover the distribution amount and any current applicable Support Fees. A required minimum balance of \$500 must remain in the Fund in order to keep the Fund open.

#### GRANT DISBURSEMENTS

In order to qualify for a grant from a Foundation fund, the proposed grantee must be a qualified charitable recipient, and the proposed grant must be consistent with the Foundation's charitable purposes. Grants may be made to any 501(c)(3) organization or verified charitable entity (e.g., schools, colleges and universities, religious institutions, town and municipal governments, police departments, etc.) located in the United States.

Grant checks sent to organizations are accompanied by a Foundation letter specifying the name of the Fund unless requested otherwise by the Founding Donor and as approved by the Foundation. Grants made from funds at the Foundation are issued on checks with the name of the Foundation.

#### RESTRICTIONS ON GRANTS

In compliance with the Internal Revenue Code, grants are not permitted for non-charitable purposes; for political contributions or to support political campaign activities; or for any purpose that would provide benefits, goods or services to a Donor to the Fund, the Fund's Advisor(s) or other related parties. A Fund Advisor is subject to IRS penalties if the Fund's Donor(s), Advisor(s), or other related parties receive benefits, goods or services in connection with a grant recommendation. This includes grants to satisfy pledges made by any person, including a Fund Advisor, and non-deductible (or partially tax-deductible) memberships, event tickets, sponsorships, registration fees in tournaments, and cause-related marketing activities.

Grants are not allowed to Private Foundations.

#### FUNDRAISING

Additional gifts may be made directly to a fund at any time. Donors contributing to Foundation funds have the option to donate via credit card. The Foundation reserves the right to deduct the credit card fee from the donation. For liability reasons, fundraising events cannot be held in the name of a Donor Advised Fund, nor can the Foundation pay event vendors out of a charitable fund. A copy of the Foundation document Policies and Guidelines for Promoting Funds of the Community Foundation will be made available on request.

#### FEES AND FUND MINIMA

As a nonprofit public benefit organization, the Foundation supports its work on behalf of fundholders and the community by charging Support Fees to manage charitable funds. Within the Foundation, the fees cover fund establishment, gift acknowledgement, investment management, grants administration and individualized donor services, such as research on nonprofit organizations and special requests. For the community, the fees are used strategically to improve lives by initiating or partnering in efforts to address key local issues, paying attention to areas of community need not covered by other organizations. The Foundation's commitment to the local community is what sets the Foundation apart from commercial charitable funds, and all of the fees paid by fundholders stay in the region to support the work that the Foundation does in partnership with fundholders.

The Foundation shall retain reasonable compensation for its services and expenses. Such compensation shall be established by the Board of Directors of the Foundation in the form of annual Support Fees. Fees are determined



by the level of service required to administer the fund as well as by the amount in the fund, and are initially set at the time the agreement is signed. Fund agreements shall reflect whether the funds are assessed on a per grant basis or annually on a percentage of the annual fund balance. If the annual percentage applies to the Fund, the fee is calculated monthly and paid directly to the Foundation from the Fund on a monthly basis.

The minimum Support Fee on funds is \$500.00 for scholarships and \$250.00 for all other types of funds. The minimum Support Fee is effective as of the first full calendar year after the fund's establishment. The Support Fee structure may be amended from time to time by the Foundation board of directors with 45 days' written notice to the Donor. The fee structure for legacy funds, to be established by bequest or charitable trust, will be based on the fee structure in place at the date of funding.

There is no set-up fee to open a fund at the Foundation. Minimum funding amounts are required to establish active funds: currently, these amounts are \$25,000.00 for scholarship funds and \$10,000.00 for all other types of funds. Funds may be established with less than the required minimum provided that the minimum is met within a year of the fund's establishment; grants may not be made from funds until the required minimum is achieved. Fees and minimum fund amounts are not applicable to legacy funds until the funds become active. Expendable funds must maintain a minimum balance of \$500.00 to remain open.

#### FUND CONTACTS

The **Founding Donor(s)** of a Designated Fund may serve as a **Fund Representative** to access information on the Fund and receive financial statements.

#### POLICIES

The undersigned have received and agree to the foregoing terms and conditions and to Foundation policies referred to herein.

#### INDEMNITY

In consideration of the Foundation's creating a Fund at the request of the undersigned individual(s) or entity and for other good and valuable consideration, the undersigned hereby agree to indemnify and hold harmless the Foundation against any liability, cost, or expense which the Foundation may incur by reason of its acting upon instructions or recommendations given to the Foundation by any of the undersigned or by persons authorized to make recommendations with regard to the Fund.



DONOR ACKNOWLEDGEMENT AND SIGNATURES

I acknowledge that I have read the Sacramento Region Community Foundation Terms and Conditions and agree to the fees, terms, and conditions described therein. I understand that any contribution, once accepted by the Foundation's Board of Directors, represents an irrevocable gift to Sacramento Region Community Foundation. The Foundation's Board of Directors has variance power under IRS regulations, and this gift is not refundable to me. I hereby certify, to the best of my knowledge, all information presented in connection with this form is accurate, and I will notify Sacramento Region Community Foundation promptly of any changes.

FOUNDING DONOR 1

FOUNDING DONOR 2

Signature

Signature

Print Name

Print Name

Date

Date

SACRAMENTO REGION COMMUNITY FOUNDATION SIGNATURE

Authorized Signature

Title

Print Name

Date



955 University Avenue, Suite A  
Sacramento, CA 95825  
TEL 916.921.7723  
FAX 916.921.7725  
www.sacregcf.org



# **EXHIBIT 3**



**AGREEMENT FOR TRANSFER AND ADMINISTRATION  
OF THE SACRAMENTO PUBLIC LIBRARY AUTHORITY SACRAMENTO ROOM  
ENDOWMENT**

This Agreement for Transfer and Administration of the Sacramento Public Library Authority Sacramento Room Endowment (“SRE Agreement”) is entered into by and between the Sacramento Public Library Foundation (“SPLF”) and the Sacramento Region Community Foundation (“SRCF”) as of December 15, 2020 (for reference purposes). SPLF and SRCF are each a “Party” and collectively the “Parties”.

RECITALS

A. In a settlement agreement (“Settlement Agreement”), the SPLF and the Sacramento Public Library Authority (“SPLA”) settled litigation commenced by the SPLA against the SPLF. The Settlement Agreement provides for, among other things, the transfer to SRCF of the Sacramento Public Library Authority Sacramento Room Endowment (the “Fund”) for which the SPLF has been the fiduciary and administrator. The SPLA is the sole beneficiary of the Fund.

B. The purpose of this SRE Agreement is to establish the terms and conditions of such transfer.

AGREEMENT

In consideration of the SPLF’s transfer of the Fund to SRCF and the continuing benefit conferred upon the SPLA by the administration of the Fund by SRCF, the Parties agree as follows:

1. Acceptance of Transfer Subject to Designated Fund Agreement. The SRCF hereby accepts from SPLF transfer of Fund upon the terms set forth in this SRE Agreement. SPLF agrees to transfer to SRCF the Fund pursuant to this SRE Agreement. The transfer of the Fund by SPLF to SRCF is conditioned upon AG Approval and shall take place within 10 business days after the date on which AG Approval has been obtained by SPLF and SPLA pursuant to the terms of the Settlement Agreement. (The term "AG Approval" has the meaning set forth in the Settlement Agreement.) SRCF agrees to administer the Fund in perpetuity upon the terms and conditions as have been established by SPLF, which are expressed in this SRE Agreement (which includes the attached Designated Fund Agreement (the “DFA”). The DFA is incorporated into this SRE Agreement and made a part hereof. SRCF agrees that the charitable purpose of the Fund expressed in this SRE Agreement shall not be modified.

2. SPLF Is Transferor/Not Donor. SRCF acknowledges and agrees that the SPLF is a transferor of the Fund, and that SPLF is not the donor or founder of the Fund and SPLF shall not be treated for any purpose as a donor or a founder of the Fund. A purpose of this SRE Agreement is to substitute SRCF for the SPLF as fiduciary and administrator of the Fund such that SPLF will have no further right or responsibility in connection with the Fund except for the rights arising from this SRE Agreement.

3. Use of Distributed Funds for Charitable Purpose. The SRCF agrees that SRCF will obligate SPLA to use any and all amounts that SPLA receives from SRCF from the Fund exclusively for the charitable purpose described in this SRE Agreement. SRCF agrees that SRCF will legally obligate SPLA to report in writing to the SRCF each year on the use by SPLA of the prior year's funds distributed from the Fund by SRCF to SPLA. The reporting required by SRCF of SPLA shall be in form and substance sufficient to allow SRCF to determine whether SPLA has used the funds in a manner that satisfies the charitable purpose of the Fund.

4. No On-Going Duty of SPLF. Following transfer of the Fund pursuant to this SRE Agreement, the SPLF shall have no duty with respect to (i) any monitoring of the performance of any of the obligations of either the SRCF or the SPLA with respect to the Fund or this SRE Agreement; and (ii) the administration, care, management, or administration of the Fund.

5. No Modification by Fund Beneficiary. The SRCF acknowledges and agrees that any agreement or understanding that SRCF has entered into or may enter into with the SPLA does not and shall not alter any of the terms set forth in this SRE Agreement. As Fund beneficiary, SPLA will periodically provide SRCF with contact information for its Fund representative who will have access to Fund information.

6. Counterparts. This SRE Agreement is effective once signed by all of the Parties, and may be executed in counterparts, each of which shall be deemed an original (including copies sent to a party by facsimile transmission or in portable document format (pdf)) as against the Party signing such counterpart, but which together shall constitute one and the same instrument.

7. Governing Law. This SRE Agreement shall be governed and construed in accordance with the laws of the State of California.

8. Amendments. Any modification, alteration, or amendment of this Agreement must take the form of a writing signed by all the Parties that expressly states that it is an amendment to this SRE Agreement.

9. Contact Information: Contact information for each SRCF and SPLF follows:

For SRCF:  
[TO BE COMPLETED]

For SPLF:  
President  
Sacramento Public Library Foundation (later the Sacramento Literacy Foundation)  
3830 Random Lane  
Sacramento, CA 95864  
916-705-4463

AND

Executive Director  
Sacramento Public Library Foundation (later the Sacramento Literacy Foundation)  
2411 Alhambra Blvd., Suite 120  
Sacramento, CA 95817  
916-836-3540

10. Conflicting Provisions. If and to the extent that any provision in the attached DFA conflicts with any of the foregoing paragraphs 1 through 9 above, then the provisions set forth in paragraphs 1 through 9 above shall control.

Dated: \_\_\_\_\_ SACRAMENTO PUBLIC LIBRARY FOUNDATION

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

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

Title: \_\_\_\_\_

Dated: \_\_\_\_\_ SACRAMENTO REGION COMMUNITY FOUNDATION

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

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

Title: \_\_\_\_\_





## GIFT TO ESTABLISH FUND

- Check for \$ \_\_\_\_\_ payable to Sacramento Region Community Foundation
- Marketable securities: \_\_\_\_\_ shares of \_\_\_\_\_ stock
- Mutual funds
- Real estate
- IRA/retirement plan/insurance policy
- Will/bequest/trust *(Please provide a copy of the relevant portion of the document.)*
- Other (please describe) \_\_\_\_\_

## INVESTMENTS

*Please refer to **Fund Terms and Conditions** for more information on Investment policies.*

This Fund is an:

- ENDOWED FUND** – fund will be permanent; it will be invested to provide an annual amount that will be spent to carry out the fund’s charitable purpose in perpetuity.
- EXPENDABLE FUND** – fund may make grant distributions until all fund assets are exhausted. A minimum balance of \$500 is required to keep this fund open.

If you checked Expendable Fund, please choose one of the options below. You may select the investment option that closely matches your timing for making grants.

- SHORT TERM PORTFOLIO** – provides a high level of liquidity for funds with short-term grantmaking strategies (spending horizon of 1-3 years)
- INTERMEDIATE TERM PORTFOLIO** – balances mild liquidity needs with a reasonable level of expected appreciation over full market cycles (spending horizon of 3-5 years)
- LONG TERM PORTFOLIO** – mirrors the endowment investment strategy as closely as possible with the intention of maintaining assets within the pool for a longer time frame (over 5 years)



DESIGNATED ORGANIZATIONS

Please indicate the charitable organization(s) you wish your Fund to support. If more than one organization is supported, percentages must total 100%. If your Fund is endowed, the amount distributed will be the amount made available to spend, as determined by the Foundation's spending policy. (If additional space is required, please see Special Instructions section.)

- 1. SacPublicLibraryAuthority 100 %    2. \_\_\_\_\_ %
- 3. \_\_\_\_\_ %    4. \_\_\_\_\_ %

SUCCESSION PLAN

In the event that any of the organizations you have designated for support dissolves or ceases to exist, you may request that the portion be redirected in one of the ways set out below.

- To the remaining organizations.
- To the organization that most closely matches the original designee.
- To the following nonprofit organization(s):  
\_\_\_\_\_
- To benefit organizations conducting charitable work in the following "field of interest" (you may indicate purpose and/or geographic area):  
\_\_\_\_\_
- To organizations addressing the community's greatest needs through the *Community Impact Fund*, as determined by the Foundation's Board of Directors
- To help continue the Foundation's work well into the future through the *Friends of the Foundation Endowment*.

SUPPORT FEES

Please refer to **Fund Terms and Conditions** for more information on Fee policies.

Support fees are determined by the level of service required to administer this Fund as well as by the amount in the Fund, and are initially set at the time the agreement is signed. Fees reflect whether the funds are assessed on a per-grant basis or annually on a percentage of the annual fund balance. If the annual percentage applies to the Fund, the fee is calculated monthly and paid directly to the Foundation from the Fund on a monthly basis. The minimum annual Support Fee on Designated Funds is \$250.00.

To be completed by the Foundation:

The annual Support Fee for the \_\_\_\_\_ Fund shall be the greater of \$250.00 or either of the following [ \_\_\_\_\_ % of the fair market value of the Fund per annum/ \_\_\_\_\_ % of distributions from the Fund].

- I have included a gift to the Fund at Sacramento Region Community Foundation in my estate plan. (Please provide a copy of the relevant portion of the document.)



#### ONLINE ACCESS TO FUND INFORMATION

All Fund Contacts are automatically signed up for the Foundation's online fund service, **DonorCentral**. With **DonorCentral**, Fund Contacts are able to view fund information at any time. Fund Advisors are also able to submit grant recommendation electronically. Unique login and password information are provided to each Contact.

#### SUPPORTING THE FOUNDATION

The Foundation's operating expenses are covered by modest Support Fees and the generosity of caring donors. We invited you to consider a contribution to the *Friends of the Foundation Endowment* to support the Foundation's operations. Your gift will ensure that the Foundation will continue to be responsive to community needs and work toward expanding philanthropy in this region. If you would like to support the *Friends of the Foundation Endowment*, please select one of these two options.

- \_\_\_\_\_ % or \$ \_\_\_\_\_ annually
- One-time gift of \$ \_\_\_\_\_

#### PLEASE TELL US HOW YOU LEARNED ABOUT THE FOUNDATION

- My Advisor \_\_\_\_\_
- Current Fundholder \_\_\_\_\_
- Foundation Board/Former Board \_\_\_\_\_
- Foundation Staff/Visibility \_\_\_\_\_
- Website \_\_\_\_\_
- Mailing \_\_\_\_\_
- Capital Public Radio \_\_\_\_\_
- KVIE Public Television \_\_\_\_\_
- Lodi Community Foundation \_\_\_\_\_
- Yolo Community Foundation \_\_\_\_\_
- Other \_\_\_\_\_



PROFESSIONAL ADVISORS

Many donors open funds with the Foundation with advice from an attorney, accountant, financial advisor, or other professional. These individuals may also be involved in the transfer of assets into your Fund. It is helpful to know who these advisors are. (Contact information is not shared outside the Foundation.)

ADVISOR 1

Name

Type of Advisor (check one)
Attorney CPA Financial Planner Other

Name of Firm

Business Address

City

State ZIP

Business Phone Business FAX

Email Address

ADVISOR 2

Name

Type of Advisor (check one)
Attorney CPA Financial Planner Other

Name of Firm

Business Address

City

State ZIP

Business Phone Business FAX

Email Address





## SPECIAL INSTRUCTIONS

*Please provide any additional information or instructions pertaining to your Fund.*

The charitable purpose of the Fund is as follows:

Funds disbursed from this Endowment shall be used by the Sacramento Public Library Authority ("SPLA") to enhance the resources of the archive through digitization and other technologies which increase availability and access to archival materials. Disbursements may also be used to increase and/or restore materials in the archive.

The Endowment funds may only be used to supplement, not supplant, the budgeted service for the Sacramento Room. The Sacramento Room has an established materials budget funded by the City of Sacramento. The materials budget for the Sacramento Room must be maintained, increased, or decreased at the same or similar rates to other City funded Library services. Disbursements will not be used for permanent payroll positions for the Sacramento Room.

## TERMS AND CONDITIONS

### TAX STATUS OF CONTRIBUTION

Funds established at the Sacramento Region Community Foundation (“Foundation”) and its affiliates are component funds of the Foundation, a Section 501(c)(3) public benefit corporation. All contributions to the Foundation’s funds are treated as gifts to a Section 501(c)(3) public charity and are tax-deductible, to the extent allowed by law, subject to individual and corporate limitations. Acceptance of all gifts is subject to the provisions of the Foundation’s Gift Acceptance Policy. Any assets contributed to funds at the Foundation, once accepted by the Board of Directors of the Foundation, represent unconditional and irrevocable gifts and are not refundable. Legal control and responsibility for the funds rest with the Foundation.

### VARIANCE POWER

All funds established at the Foundation are subject to the Foundation’s “variance power,” as set forth in its Bylaws. Variance power grants the Foundation’s Board of Directors the power to modify any condition or restriction on the distribution of funds for any specified charitable purpose or purposes, or to a specified organization or organizations if, in its sole judgment (without the necessity of the approval of any other party), such restriction or condition becomes, in effect, unnecessary, incapable of fulfillment, or inconsistent with the charitable needs of the community or area served by the Foundation.

### INVESTMENT OF ASSETS

All assets contributed to funds established at the Foundation are invested in the Foundation’s investment pools and are managed in accordance with the Foundation’s Investment Policy Statement (IPS). A copy of the Foundation’s current Investment Policy Statement is available upon request.

For the purposes of investments, the Foundation does not segregate the assets of any single fund from the assets of the Foundation’s other component funds, but will keep a separate account of the fund’s assets, and the fund’s proportionate share of all investment earnings and investment fees applied to the fund. In establishing a fund, the donor acknowledges that the investments in the fund are subject to market and interest rate fluctuations. All investment returns are reported net of all investment fees.

All endowed funds are invested in the Foundation’s endowment pool. For expendable funds, the Donor may select from a number of expendable pools. The asset allocation of these pools is geared towards the donor’s spending horizon for the fund. Annually, the donor may select to move to a different pool.

### SPENDING RULES

**Endowed funds:** The spending policy for endowed funds, contained in the IPS, utilizes a formula to determine the amount available to grant from a fund each year. It is designed to maintain a level of current spending while preserving the endowment in order to support future spending. The Foundation shall appropriate for expenditure, for the purposes for which the Fund is established, so much of the Fund as the Foundation deems prudent, in accordance with the Uniform Prudent Management of Institutional Funds Act (UPMIFA) (as amended from time to time) and the Spending Policy adopted by the Foundation (as amended from time to time).

The amount available to spend (ATS) is determined by calculating the rolling average fair market value of the Fund over the previous 12 quarters (or since inception for funds less than three years old). This rolling average is then multiplied by the current spending percentage to arrive at the amount available to spend from the Fund in the following year. The Board reviews its spending policy annually, and may increase or decrease the percentage available to spend. **As of the approval date of this agreement, the spending policy is 4%.**



Endowed funds established before the end of the third quarter (September 30) will have an ATS amount as of January immediately following the establishment of the Fund. Endowed funds established during the fourth quarter will not have an available to spend amount in the January immediately following the establishment of the Fund, but they will have an ATS amount the next January.

**Expendable funds:** The current balance of an expendable fund (excluding uncleared checks and pending stock transfers) must be adequate to cover the distribution amount and any current applicable Support Fees. A required minimum balance of \$500 must remain in the Fund in order to keep the Fund open.

#### GRANT DISBURSEMENTS

In order to qualify for a grant from a Foundation fund, the proposed grantee must be a qualified charitable recipient, and the proposed grant must be consistent with the Foundation's charitable purposes. Grants may be made to any 501(c)(3) organization or verified charitable entity (e.g., schools, colleges and universities, religious institutions, town and municipal governments, police departments, etc.) located in the United States.

Grant checks sent to organizations are accompanied by a Foundation letter specifying the name of the Fund unless requested otherwise by the Founding Donor and as approved by the Foundation. Grants made from funds at the Foundation are issued on checks with the name of the Foundation.

#### RESTRICTIONS ON GRANTS

In compliance with the Internal Revenue Code, grants are not permitted for non-charitable purposes; for political contributions or to support political campaign activities; or for any purpose that would provide benefits, goods or services to a Donor to the Fund, the Fund's Advisor(s) or other related parties. A Fund Advisor is subject to IRS penalties if the Fund's Donor(s), Advisor(s), or other related parties receive benefits, goods or services in connection with a grant recommendation. This includes grants to satisfy pledges made by any person, including a Fund Advisor, and non-deductible (or partially tax-deductible) memberships, event tickets, sponsorships, registration fees in tournaments, and cause-related marketing activities.

Grants are not allowed to Private Foundations.

#### FUNDRAISING

Additional gifts may be made directly to a fund at any time. Donors contributing to Foundation funds have the option to donate via credit card. The Foundation reserves the right to deduct the credit card fee from the donation. For liability reasons, fundraising events cannot be held in the name of a Donor Advised Fund, nor can the Foundation pay event vendors out of a charitable fund. A copy of the Foundation document Policies and Guidelines for Promoting Funds of the Community Foundation will be made available on request.

#### FEES AND FUND MINIMA

As a nonprofit public benefit organization, the Foundation supports its work on behalf of fundholders and the community by charging Support Fees to manage charitable funds. Within the Foundation, the fees cover fund establishment, gift acknowledgement, investment management, grants administration and individualized donor services, such as research on nonprofit organizations and special requests. For the community, the fees are used strategically to improve lives by initiating or partnering in efforts to address key local issues, paying attention to areas of community need not covered by other organizations. The Foundation's commitment to the local community is what sets the Foundation apart from commercial charitable funds, and all of the fees paid by fundholders stay in the region to support the work that the Foundation does in partnership with fundholders.

The Foundation shall retain reasonable compensation for its services and expenses. Such compensation shall be established by the Board of Directors of the Foundation in the form of annual Support Fees. Fees are determined



by the level of service required to administer the fund as well as by the amount in the fund, and are initially set at the time the agreement is signed. Fund agreements shall reflect whether the funds are assessed on a per grant basis or annually on a percentage of the annual fund balance. If the annual percentage applies to the Fund, the fee is calculated monthly and paid directly to the Foundation from the Fund on a monthly basis.

The minimum Support Fee on funds is \$500.00 for scholarships and \$250.00 for all other types of funds. The minimum Support Fee is effective as of the first full calendar year after the fund's establishment. The Support Fee structure may be amended from time to time by the Foundation board of directors with 45 days' written notice to the Donor. The fee structure for legacy funds, to be established by bequest or charitable trust, will be based on the fee structure in place at the date of funding.

There is no set-up fee to open a fund at the Foundation. Minimum funding amounts are required to establish active funds: currently, these amounts are \$25,000.00 for scholarship funds and \$10,000.00 for all other types of funds. Funds may be established with less than the required minimum provided that the minimum is met within a year of the fund's establishment; grants may not be made from funds until the required minimum is achieved. Fees and minimum fund amounts are not applicable to legacy funds until the funds become active. Expendable funds must maintain a minimum balance of \$500.00 to remain open.

#### FUND CONTACTS

The **Founding Donor(s)** of a Designated Fund may serve as a **Fund Representative** to access information on the Fund and receive financial statements.

#### POLICIES

The undersigned have received and agree to the foregoing terms and conditions and to Foundation policies referred to herein.

#### INDEMNITY

In consideration of the Foundation's creating a Fund at the request of the undersigned individual(s) or entity and for other good and valuable consideration, the undersigned hereby agree to indemnify and hold harmless the Foundation against any liability, cost, or expense which the Foundation may incur by reason of its acting upon instructions or recommendations given to the Foundation by any of the undersigned or by persons authorized to make recommendations with regard to the Fund.



DONOR ACKNOWLEDGEMENT AND SIGNATURES

I acknowledge that I have read the Sacramento Region Community Foundation Terms and Conditions and agree to the fees, terms, and conditions described therein. I understand that any contribution, once accepted by the Foundation's Board of Directors, represents an irrevocable gift to Sacramento Region Community Foundation. The Foundation's Board of Directors has variance power under IRS regulations, and this gift is not refundable to me. I hereby certify, to the best of my knowledge, all information presented in connection with this form is accurate, and I will notify Sacramento Region Community Foundation promptly of any changes.

FOUNDING DONOR 1

Signature

Print Name

Date

FOUNDING DONOR 2

Signature

Print Name

Date

SACRAMENTO REGION COMMUNITY FOUNDATION SIGNATURE

Authorized Signature

Print Name

Title

Date



955 University Avenue, Suite A  
Sacramento, CA 95825  
TEL 916.921.7723  
FAX 916.921.7725  
www.sacregcf.org



# **EXHIBIT 4**

**AGREEMENT FOR TRANSFER AND ADMINISTRATION  
OF PERSIAN LANGUAGE BOOKS AND MATERIALS ENDOWMENT**

This Agreement for Transfer and Administration of Persian Language Books And Materials Endowment (“PE Agreement”) is entered into by and between the Sacramento Public Library Foundation (“SPLF”) and the Sacramento Region Community Foundation (“SRCF”) as of December 15, 2020 (for reference purposes). SPLF and SRCF are each a “Party” and collectively the “Parties”.

RECITALS

A. In a settlement agreement (“Settlement Agreement”), the SPLF and the Sacramento Public Library Authority (“SPLA”) settled litigation commenced by the SPLA against the SPLF. The Settlement Agreement provides for, among other things, the transfer to SRCF of the Persian Language Books and Materials Endowment (the “Fund”) for which the SPLF has been the fiduciary and administrator. The SPLA is the sole beneficiary of the Fund.

B. The purpose of this PE Agreement is to establish the terms and conditions of such transfer.

AGREEMENT

In consideration of the SPLF’s transfer of the Fund to SRCF and the continuing benefit conferred upon the SPLA by the administration of the Fund by SRCF, the Parties agree as follows:

1. Acceptance of Transfer Subject to Designated Fund Agreement. The SRCF hereby accepts from SPLF transfer of Fund upon the terms set forth in this PE Agreement. SPLF agrees to transfer to SRCF the Fund pursuant to this PE Agreement. The transfer of the Fund by SPLF to SRCF is conditioned upon AG Approval and shall take place within 10 business days after the date on which AG Approval has been obtained by SPLF and SPLA pursuant to the terms of the Settlement Agreement. (The term “AG Approval” has the meaning set forth in the Settlement Agreement.) SRCF agrees to administer the Fund in perpetuity upon the terms and conditions as have been established by SPLF, which are expressed in this PE Agreement (which includes the attached Designated Fund Agreement (the “DFA”)). The DFA is incorporated into this PE Agreement and made a part hereof. SRCF agrees that the charitable purpose of the Fund expressed in this PE Agreement shall not be modified.

2. SPLF Is Transferor/Not Donor. SRCF acknowledges and agrees that the SPLF is a transferor of the Fund, and that SPLF is not the donor or founder of the

Fund and SPLF shall not be treated for any purpose as a donor or a founder of the Fund. A purpose of this PE Agreement is to substitute SRCF for the SPLF as fiduciary and administrator of the Fund such that SPLF will have no further right or responsibility in connection with the Fund except for the rights arising from this PE Agreement.

3. Use of Distributed Funds for Charitable Purpose. The SRCF agrees that SRCF will obligate SPLA to use any and all amounts that SPLA receives from SRCF from the Fund exclusively for the charitable purpose described in this PE Agreement. SRCF agrees that SRCF will legally obligate SPLA to report in writing to the SRCF each year on the use by SPLA of the prior year's funds distributed from the Fund by SRCF to SPLA. The reporting required by SRCF of SPLA shall be in form and substance sufficient to allow SRCF to determine whether SPLA has used the funds in a manner that satisfies the charitable purpose of the Fund.

4. No On-Going Duty of SPLF. Following transfer of the Fund pursuant to this PE Agreement, the SPLF shall have no duty with respect to (i) any monitoring of the performance of any of the obligations of either the SRCF or the SPLA with respect to the Fund or this PE Agreement; and (ii) the administration, care, management, or administration of the Fund.

5. No Modification by Fund Beneficiary. The SRCF acknowledges and agrees that any agreement or understanding that SRCF has entered into or may enter into with the SPLA does not and shall not alter any of the terms set forth in this PE Agreement. As Fund beneficiary, SPLA will periodically provide SRCF with contact information for its Fund representative who will have access to Fund information.

6. Counterparts. This PE Agreement is effective once signed by all of the Parties, and may be executed in counterparts, each of which shall be deemed an original (including copies sent to a party by facsimile transmission or in portable document format (pdf)) as against the Party signing such counterpart, but which together shall constitute one and the same instrument.

7. Governing Law. This PE Agreement shall be governed and construed in accordance with the laws of the State of California.

8. Amendments. Any modification, alteration, or amendment of this Agreement must take the form of a writing signed by all the Parties that expressly states that it is an amendment to this PE Agreement.

9. Contact Information: Contact information for each SRCF and SPLF follows:



For SRCF:  
[TO BE COMPLETED]

For SPLF:  
President  
Sacramento Public Library Foundation (later the Sacramento Literacy Foundation)  
3830 Random Lane  
Sacramento, CA 95864  
916-705-4463

AND

Executive Director  
Sacramento Public Library Foundation (later the Sacramento Literacy Foundation)  
2411 Alhambra Blvd., Suite 120  
Sacramento, CA 95817  
916-836-3540

10. Conflicting Provisions. If and to the extent that any provision in the attached DFA conflicts with any of the foregoing paragraphs 1 through 9 above, then the provisions set forth in paragraphs 1 through 9 above shall control.

SACRAMENTO PUBLIC LIBRARY FOUNDATION  
Dated: \_\_\_\_\_  
By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

SACRAMENTO REGION COMMUNITY FOUNDATION  
Dated: \_\_\_\_\_  
By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_



DESIGNATED FUND AGREEMENT

FUND ID   
*For internal use only*

PLEASE INDICATE THE NAME OF YOUR FUND  
*e.g., Smith Family Fund, Twin Rivers Fund, etc.*

Persian Language Books and Materials Endowment

PLEASE DESCRIBE THE CHARITABLE PURPOSE OF YOUR FUND  
*e.g., performing arts, animal welfare, youth development*

For the charitable purpose, please see SPECIAL INSTRUCTIONS on Page 6.

FOUNDING DONOR 1

Name

Title or Salutation

Organization (if applicable)

Mailing Address

City

State ZIP

Preferred Phone  Home  Cell  Work

Alternate Phone  Home  Cell  Work

Email address

FOUNDING DONOR 2 (optional)

Name

Title or Salutation

Organization (if applicable)

Mailing Address

City

State ZIP

Preferred Phone  Home  Cell  Work

Alternate Phone  Home  Cell  Work

Email address

FUND RECOGNITION

- The Foundation may use the Fund name for grants and in Foundation materials and publications.
- This Fund should remain anonymous in grant letters and Foundation publications.



## GIFT TO ESTABLISH FUND

- Check for \$ \_\_\_\_\_ payable to Sacramento Region Community Foundation
- Marketable securities: \_\_\_\_\_ shares of \_\_\_\_\_ stock
- Mutual funds
- Real estate
- IRA/retirement plan/insurance policy
- Will/bequest/trust *(Please provide a copy of the relevant portion of the document.)*
- Other (please describe) \_\_\_\_\_

## INVESTMENTS

*Please refer to **Fund Terms and Conditions** for more information on Investment policies.*

This Fund is an:

- ENDOWED FUND** – fund will be permanent; it will be invested to provide an annual amount that will be spent to carry out the fund’s charitable purpose in perpetuity.
- EXPENDABLE FUND** – fund may make grant distributions until all fund assets are exhausted. A minimum balance of \$500 is required to keep this fund open.

If you checked Expendable Fund, please choose one of the options below. You may select the investment option that closely matches your timing for making grants.

- SHORT TERM PORTFOLIO** – provides a high level of liquidity for funds with short-term grantmaking strategies (spending horizon of 1-3 years)
- INTERMEDIATE TERM PORTFOLIO** – balances mild liquidity needs with a reasonable level of expected appreciation over full market cycles (spending horizon of 3-5 years)
- LONG TERM PORTFOLIO** – mirrors the endowment investment strategy as closely as possible with the intention of maintaining assets within the pool for a longer time frame (over 5 years)



DESIGNATED ORGANIZATIONS

Please indicate the charitable organization(s) you wish your Fund to support. If more than one organization is supported, percentages must total 100%. If your Fund is endowed, the amount distributed will be the amount made available to spend, as determined by the Foundation's spending policy. (If additional space is required, please see Special Instructions section.)

- 1. SacPublicLibraryAuthority 100 % 2. \_\_\_\_\_ %
3. \_\_\_\_\_ % 4. \_\_\_\_\_ %

SUCCESSION PLAN

In the event that any of the organizations you have designated for support dissolves or ceases to exist, you may request that the portion be redirected in one of the ways set out below.

- To the remaining organizations.
To the organization that most closely matches the original designee.
To the following nonprofit organization(s):
To benefit organizations conducting charitable work in the following "field of interest" (you may indicate purpose and/or geographic area):
To organizations addressing the community's greatest needs through the Community Impact Fund, as determined by the Foundation's Board of Directors
To help continue the Foundation's work well into the future through the Friends of the Foundation Endowment.

SUPPORT FEES

Please refer to Fund Terms and Conditions for more information on Fee policies.

Support fees are determined by the level of service required to administer this Fund as well as by the amount in the Fund, and are initially set at the time the agreement is signed. Fees reflect whether the funds are assessed on a per-grant basis or annually on a percentage of the annual fund balance. If the annual percentage applies to the Fund, the fee is calculated monthly and paid directly to the Foundation from the Fund on a monthly basis. The minimum annual Support Fee on Designated Funds is \$250.00.

To be completed by the Foundation:

The annual Support Fee for the \_\_\_\_\_ Fund shall be the greater of \$250.00 or either of the following [ \_\_\_\_\_ % of the fair market value of the Fund per annum/ \_\_\_\_\_ % of distributions from the Fund].

- I have included a gift to the Fund at Sacramento Region Community Foundation in my estate plan. (Please provide a copy of the relevant portion of the document.)



#### ONLINE ACCESS TO FUND INFORMATION

All Fund Contacts are automatically signed up for the Foundation's online fund service, **DonorCentral**. With **DonorCentral**, Fund Contacts are able to view fund information at any time. Fund Advisors are also able to submit grant recommendation electronically. Unique login and password information are provided to each Contact.

#### SUPPORTING THE FOUNDATION

The Foundation's operating expenses are covered by modest Support Fees and the generosity of caring donors. We invited you to consider a contribution to the ***Friends of the Foundation Endowment*** to support the Foundation's operations. Your gift will ensure that the Foundation will continue to be responsive to community needs and work toward expanding philanthropy in this region. If you would like to support the ***Friends of the Foundation Endowment***, please select one of these two options.

- \_\_\_\_\_ % or \$ \_\_\_\_\_ annually
- One-time gift of \$ \_\_\_\_\_

#### PLEASE TELL US HOW YOU LEARNED ABOUT THE FOUNDATION

- My Advisor \_\_\_\_\_
- Current Fundholder \_\_\_\_\_
- Foundation Board/Former Board \_\_\_\_\_
- Foundation Staff/Visibility \_\_\_\_\_
- Website \_\_\_\_\_
- Mailing \_\_\_\_\_
- Capital Public Radio \_\_\_\_\_
- KVIE Public Television \_\_\_\_\_
- Lodi Community Foundation \_\_\_\_\_
- Yolo Community Foundation \_\_\_\_\_
- Other \_\_\_\_\_



PROFESSIONAL ADVISORS

Many donors open funds with the Foundation with advice from an attorney, accountant, financial advisor, or other professional. These individuals may also be involved in the transfer of assets into your Fund. It is helpful to know who these advisors are. (Contact information is not shared outside the Foundation.)

ADVISOR 1

Name

Type of Advisor (check one)

Attorney  CPA  Financial Planner  Other

Name of Firm

Business Address

City

State

ZIP

Business Phone

Business FAX

Email Address

ADVISOR 2

Name

Type of Advisor (check one)

Attorney  CPA  Financial Planner  Other

Name of Firm

Business Address

City

State

ZIP

Business Phone

Business FAX

Email Address



## SPECIAL INSTRUCTIONS

*Please provide any additional information or instructions pertaining to your Fund.*

Funds distributed from this Endowment shall be used by the Sacramento Public Library Authority ("SPLA") to purchase Persian Language books and materials that meet the criteria set forth in the Library's Collection Development Guidelines and to fund Persian focused library programming including but not limited to book groups, speakers and author visits.

The Endowment funds may only be used to supplement, not supplant, the budgeted service for Books and Materials, and support Persian-focused library programming. The SPLA has established materials and programming budgets. These budgets must be maintained, increased, or decreased at the same or similar rates to other funded Library services. Distributions will not be used for permanent payroll positions.



## TERMS AND CONDITIONS

### TAX STATUS OF CONTRIBUTION

Funds established at the Sacramento Region Community Foundation (“Foundation”) and its affiliates are component funds of the Foundation, a Section 501(c)(3) public benefit corporation. All contributions to the Foundation’s funds are treated as gifts to a Section 501(c)(3) public charity and are tax-deductible, to the extent allowed by law, subject to individual and corporate limitations. Acceptance of all gifts is subject to the provisions of the Foundation’s Gift Acceptance Policy. Any assets contributed to funds at the Foundation, once accepted by the Board of Directors of the Foundation, represent unconditional and irrevocable gifts and are not refundable. Legal control and responsibility for the funds rest with the Foundation.

### VARIANCE POWER

All funds established at the Foundation are subject to the Foundation’s “variance power,” as set forth in its Bylaws. Variance power grants the Foundation’s Board of Directors the power to modify any condition or restriction on the distribution of funds for any specified charitable purpose or purposes, or to a specified organization or organizations if, in its sole judgment (without the necessity of the approval of any other party), such restriction or condition becomes, in effect, unnecessary, incapable of fulfillment, or inconsistent with the charitable needs of the community or area served by the Foundation.

### INVESTMENT OF ASSETS

All assets contributed to funds established at the Foundation are invested in the Foundation’s investment pools and are managed in accordance with the Foundation’s Investment Policy Statement (IPS). A copy of the Foundation’s current Investment Policy Statement is available upon request.

For the purposes of investments, the Foundation does not segregate the assets of any single fund from the assets of the Foundation’s other component funds, but will keep a separate account of the fund’s assets, and the fund’s proportionate share of all investment earnings and investment fees applied to the fund. In establishing a fund, the donor acknowledges that the investments in the fund are subject to market and interest rate fluctuations. All investment returns are reported net of all investment fees.

All endowed funds are invested in the Foundation’s endowment pool. For expendable funds, the Donor may select from a number of expendable pools. The asset allocation of these pools is geared towards the donor’s spending horizon for the fund. Annually, the donor may select to move to a different pool.

### SPENDING RULES

**Endowed funds:** The spending policy for endowed funds, contained in the IPS, utilizes a formula to determine the amount available to grant from a fund each year. It is designed to maintain a level of current spending while preserving the endowment in order to support future spending. The Foundation shall appropriate for expenditure, for the purposes for which the Fund is established, so much of the Fund as the Foundation deems prudent, in accordance with the Uniform Prudent Management of Institutional Funds Act (UPMIFA) (as amended from time to time) and the Spending Policy adopted by the Foundation (as amended from time to time).

The amount available to spend (ATS) is determined by calculating the rolling average fair market value of the Fund over the previous 12 quarters (or since inception for funds less than three years old). This rolling average is then multiplied by the current spending percentage to arrive at the amount available to spend from the Fund in the following year. The Board reviews its spending policy annually, and may increase or decrease the percentage available to spend. **As of the approval date of this agreement, the spending policy is 4%.**





Endowed funds established before the end of the third quarter (September 30) will have an ATS amount as of January immediately following the establishment of the Fund. Endowed funds established during the fourth quarter will not have an available to spend amount in the January immediately following the establishment of the Fund, but they will have an ATS amount the next January.

**Expendable funds:** The current balance of an expendable fund (excluding uncleared checks and pending stock transfers) must be adequate to cover the distribution amount and any current applicable Support Fees. A required minimum balance of \$500 must remain in the Fund in order to keep the Fund open.

#### GRANT DISBURSEMENTS

In order to qualify for a grant from a Foundation fund, the proposed grantee must be a qualified charitable recipient, and the proposed grant must be consistent with the Foundation's charitable purposes. Grants may be made to any 501(c)(3) organization or verified charitable entity (e.g., schools, colleges and universities, religious institutions, town and municipal governments, police departments, etc.) located in the United States.

Grant checks sent to organizations are accompanied by a Foundation letter specifying the name of the Fund unless requested otherwise by the Founding Donor and as approved by the Foundation. Grants made from funds at the Foundation are issued on checks with the name of the Foundation.

#### RESTRICTIONS ON GRANTS

In compliance with the Internal Revenue Code, grants are not permitted for non-charitable purposes; for political contributions or to support political campaign activities; or for any purpose that would provide benefits, goods or services to a Donor to the Fund, the Fund's Advisor(s) or other related parties. A Fund Advisor is subject to IRS penalties if the Fund's Donor(s), Advisor(s), or other related parties receive benefits, goods or services in connection with a grant recommendation. This includes grants to satisfy pledges made by any person, including a Fund Advisor, and non-deductible (or partially tax-deductible) memberships, event tickets, sponsorships, registration fees in tournaments, and cause-related marketing activities.

Grants are not allowed to Private Foundations.

#### FUNDRAISING

Additional gifts may be made directly to a fund at any time. Donors contributing to Foundation funds have the option to donate via credit card. The Foundation reserves the right to deduct the credit card fee from the donation. For liability reasons, fundraising events cannot be held in the name of a Donor Advised Fund, nor can the Foundation pay event vendors out of a charitable fund. A copy of the Foundation document Policies and Guidelines for Promoting Funds of the Community Foundation will be made available on request.

#### FEES AND FUND MINIMA

As a nonprofit public benefit organization, the Foundation supports its work on behalf of fundholders and the community by charging Support Fees to manage charitable funds. Within the Foundation, the fees cover fund establishment, gift acknowledgement, investment management, grants administration and individualized donor services, such as research on nonprofit organizations and special requests. For the community, the fees are used strategically to improve lives by initiating or partnering in efforts to address key local issues, paying attention to areas of community need not covered by other organizations. The Foundation's commitment to the local community is what sets the Foundation apart from commercial charitable funds, and all of the fees paid by fundholders stay in the region to support the work that the Foundation does in partnership with fundholders.

The Foundation shall retain reasonable compensation for its services and expenses. Such compensation shall be established by the Board of Directors of the Foundation in the form of annual Support Fees. Fees are determined



by the level of service required to administer the fund as well as by the amount in the fund, and are initially set at the time the agreement is signed. Fund agreements shall reflect whether the funds are assessed on a per grant basis or annually on a percentage of the annual fund balance. If the annual percentage applies to the Fund, the fee is calculated monthly and paid directly to the Foundation from the Fund on a monthly basis.

The minimum Support Fee on funds is \$500.00 for scholarships and \$250.00 for all other types of funds. The minimum Support Fee is effective as of the first full calendar year after the fund's establishment. The Support Fee structure may be amended from time to time by the Foundation board of directors with 45 days' written notice to the Donor. The fee structure for legacy funds, to be established by bequest or charitable trust, will be based on the fee structure in place at the date of funding.

There is no set-up fee to open a fund at the Foundation. Minimum funding amounts are required to establish active funds: currently, these amounts are \$25,000.00 for scholarship funds and \$10,000.00 for all other types of funds. Funds may be established with less than the required minimum provided that the minimum is met within a year of the fund's establishment; grants may not be made from funds until the required minimum is achieved. Fees and minimum fund amounts are not applicable to legacy funds until the funds become active. Expendable funds must maintain a minimum balance of \$500.00 to remain open.

#### FUND CONTACTS

The **Founding Donor(s)** of a Designated Fund may serve as a **Fund Representative** to access information on the Fund and receive financial statements.

#### POLICIES

The undersigned have received and agree to the foregoing terms and conditions and to Foundation policies referred to herein.

#### INDEMNITY

In consideration of the Foundation's creating a Fund at the request of the undersigned individual(s) or entity and for other good and valuable consideration, the undersigned hereby agree to indemnify and hold harmless the Foundation against any liability, cost, or expense which the Foundation may incur by reason of its acting upon instructions or recommendations given to the Foundation by any of the undersigned or by persons authorized to make recommendations with regard to the Fund.



DONOR ACKNOWLEDGEMENT AND SIGNATURES

I acknowledge that I have read the Sacramento Region Community Foundation Terms and Conditions and agree to the fees, terms, and conditions described therein. I understand that any contribution, once accepted by the Foundation's Board of Directors, represents an irrevocable gift to Sacramento Region Community Foundation. The Foundation's Board of Directors has variance power under IRS regulations, and this gift is not refundable to me. I hereby certify, to the best of my knowledge, all information presented in connection with this form is accurate, and I will notify Sacramento Region Community Foundation promptly of any changes.

FOUNDING DONOR 1

Signature

Print Name

Date

FOUNDING DONOR 2

Signature

Print Name

Date

SACRAMENTO REGION COMMUNITY FOUNDATION SIGNATURE

Authorized Signature

Print Name

Title

Date



955 University Avenue, Suite A  
Sacramento, CA 95825  
TEL 916.921.7723  
FAX 916.921.7725  
www.sacregcf.org



# **EXHIBIT 5**

**AGREEMENT FOR TRANSFER AND ADMINISTRATION  
OF RUTHIE FINEGOLD ENDOWMENT**

This Agreement for Transfer and Administration of the Ruthie Finegold Endowment (the “Agreement”) is entered into by and between the Sacramento Public Library Foundation (“SPLF”) and the Tower Foundation of San Jose State University (“Tower Foundation of SJSU”) as of December 15, 2020 (for reference purposes). SPLF and Tower Foundation of SJSU are each a “Party” and collectively the “Parties”.

RECITALS

A. In a settlement agreement (“Settlement Agreement”), the SPLF and the Sacramento Public Library Authority (“SPLA”) settled litigation commenced by the SPLA against the SPLF. The Settlement Agreement provides for, among other things, the transfer to the Tower Foundation of SJSU of the Ruthie Finegold Endowment Fund (the “Fund”) for which the SPLF has been the fiduciary and administrator.

B. While no formal policy statement has ever been executed with respect to the Fund, SPLF understands that the donor’s purpose was to fund scholarships for students enrolled in the Master in Library Science program at San Jose State University who are from Northern California. The Tower Foundation of SJSU has informed SPLF that it currently administers a Librarian Opportunity Scholarship (the “LOS”), created by memorandum originally executed on December 1, 2011, by SJSU and the original donors, Keith Ball and Diana Morabito (the “LOS Memorandum”), for a purpose similar to the purpose of the Fund.

C. SPLF proposes to transfer the Fund to the Tower Foundation of SJSU, who proposes to amend the LOS Memorandum to provide for administration of the Fund as part of the LOS, for the benefit of students enrolled in the Master of Library and Information Science (MLIS) program in its School of Information who plan to serve in a public library system (hereinafter, the “Charitable Purpose”).

D. The purpose of this Agreement is to establish the terms and conditions of such transfer.

AGREEMENT

In consideration of the SPLF’s transfer of the Fund to the Tower Foundation of SJSU and the Tower Foundation of SJSU’s commitments hereunder, the Parties agree as follows:

1. Transfer and Acceptance Subject to This Agreement. SPLF agrees to transfer the Fund to the Tower Foundation of SJSU pursuant to the terms set forth in this Agreement. The Tower Foundation of SJSU hereby accepts transfer of Fund upon the terms set forth in this Agreement. The transfer of the Fund by SPLF to the Tower Foundation of SJSU is conditioned upon (a) the Tower Foundation of SJSU's confirmation to SPLF that it has amended the LOS Memorandum as described in Recital C above, and (b) AG Approval having been obtained by SPLF and SPLA pursuant to the terms of the Settlement Agreement. (The term "AG Approval" has the meaning set forth in the Settlement Agreement.) The transfer shall take place within 10 business days after the above two conditions have both been satisfied. The Tower Foundation of SJSU agrees to administer the Fund in perpetuity according to the Charitable Purpose set forth above. The Tower Foundation of SJSU agrees that the Charitable Purpose of the Fund expressed in this Agreement shall not be modified.

2. SPLF Is Transferor/Not Donor. The Tower Foundation of SJSU acknowledges and agrees that the SPLF is a transferor of the Fund, that SPLF is not the donor or founder of the Fund, and that SPLF shall not be treated for any purpose as a donor or a founder of the Fund. A purpose of this Agreement is to substitute the Tower Foundation of SJSU for the SPLF as fiduciary and administrator of the Fund such that SPLF will have no further right or responsibility in connection with the Fund except for the rights arising from this Agreement.

3. No On-Going Duty of SPLF. Following transfer of the Fund pursuant to this Agreement, the SPLF shall have no duty with respect to (i) any monitoring of the performance of any of the obligations of the Tower Foundation of SJSU with respect to the Fund or this Agreement; or (ii) the administration, care, management, or administration of the Fund.

4. Counterparts. This Agreement is effective once signed by all of the Parties, and may be executed in counterparts, each of which shall be deemed an original (including copies sent to a party by facsimile transmission or in portable document format (pdf)) as against the Party signing such counterpart, but which together shall constitute one and the same instrument.

5. Governing Law. This Agreement shall be governed and construed in accordance with the laws of the State of California.

6. Amendments. Any modification, alteration, or amendment of this Agreement must take the form of a writing signed by all the Parties that expressly states that it is an amendment to this Agreement.

7. Contact Information: Contact information for each the Tower Foundation of SJSU and SPLF follows:

For the Tower Foundation of SJSU:  
Vice President, University Advancement  
CEO, Tower Foundation of SJSU  
San Jose State University  
One Washington Square  
San Jose, CA 95192-0257  
408.924.1160

For SPLF:  
President  
Sacramento Public Library Foundation (currently doing business as  
the Sacramento Literacy Foundation)  
3830 Random Lane  
Sacramento, CA 95864  
916-705-4463

AND

Executive Director  
Sacramento Public Library Foundation (later the Sacramento Literacy  
Foundation)  
2411 Alhambra Blvd., Suite 120  
Sacramento, CA 95817  
916-836-3540

8. Conflicting Provisions. If and to the extent that any provision in the  
LOS Memorandum, either as originally executed or as amended from time to time,  
conflicts with any of the foregoing paragraphs 1 through 7 above, then the  
provisions set forth in paragraphs 1 through 7 above shall control.

SACRAMENTO PUBLIC LIBRARY FOUNDATION

Dated: \_\_\_\_\_

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

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

Title: \_\_\_\_\_

Dated: \_\_\_\_\_

TOWER FOUNDATION OF SAN JOSE STATE UNIVERSITY

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

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

Title: \_\_\_\_\_



# **EXHIBIT 6**

**AGREEMENT FOR RELINQUISHMENT OF INTEREST  
IN JACK AND LILLIAN SIOUKAS ENDOWMENT TO BENEFIT THE SACRAMENTO  
PUBLIC LIBRARY SACRAMENTO ROOM**

This Agreement for Relinquishment of Interest in Jack And Lillian Sioukas Endowment to Benefit the Sacramento Public Library Sacramento Room (“SIOUKAS Agreement”) is entered into by and between the Sacramento Public Library Foundation (“SPLF”) and the Sacramento Region Community Foundation (“SRCF”) as of December 15, 2020 (for reference purposes). SPLF and SRCF are each a “Party” and collectively the “Parties”.

RECITALS

A. The Jack And Lillian Sioukas Endowment Fund to Benefit the Sacramento Public Library Sacramento Room (the “Fund”) is currently held and administered by the SRCF pursuant to an Agency Endowment Agreement between the SPLF, as donor, and the SRCF dated December 29, 2003 (the “Agency Agreement”). The Fund is intended to benefit the Sacramento Room at the Sacramento Public Library. The SPLF retains the right under the terms of the Agency Agreement to revoke its transfer to the Fund.

B. In a settlement agreement (“Settlement Agreement”), the SPLF and the Sacramento Public Library Authority (“SPLA”) settled litigation commenced by the SPLA against the SPLF. The Settlement Agreement provides for, among other things, the relinquishment of all of SPLF’s right, powers, title, and interest in and to the Fund, including, without limitation, the right to revoke SPLF’s transfer of property to the Fund (the “SPLF Interest”).

C. The purpose of this SIOUKAS Agreement is to establish the terms and conditions of such relinquishment.

AGREEMENT

In consideration of the SPLF’s relinquishment of the SPLF Interest and the SRCF’s continuing administration of the Fund, the Parties agree as follows:

1. Relinquishment of SPLF Interest Subject to Designated Fund Agreement. SPLF agrees to relinquish the SPLF Interest pursuant to this SIOUKAS Agreement. The SRCF hereby acknowledges and accepts SPLF’s relinquishment of the SPLF Interest upon the terms set forth in this SIOUKAS Agreement. SPLF’s relinquishment of the SPLF Interest is conditioned upon AG Approval and shall take place within 10 business days after the date on which AG Approval has been

obtained by SPLF and SPLA pursuant to the terms of the Settlement Agreement. (The term "AG Approval" has the meaning set forth in the Settlement Agreement.)

2. Use of Distributed Funds for Charitable Purpose. SRCF agrees to administer the Fund in perpetuity for the charitable purpose described in the attached Designated Fund Agreement ("DFA") and upon the other terms expressed therein and in this Sioukas Agreement. The DFA is incorporated into this Sioukas Agreement by this reference and made a part hereof. SRCF agrees that the charitable purpose described in the DFA (the "Charitable Purpose") shall not be modified. The SRCF agrees that SRCF will obligate SPLA to use any and all amounts that SPLA receives from SRCF from the Fund exclusively for the Charitable Purpose. SRCF agrees that SRCF will legally obligate SPLA to report in writing to the SRCF each year on the use by SPLA of the prior year's funds distributed from the Fund by SRCF to SPLA. The reporting required by SRCF of SPLA shall be in form and substance sufficient to allow SRCF to determine whether SPLA has used the funds in a manner that satisfies the Charitable Purpose.

3. No On-Going Duty of SPLF. Following transfer of the SPLF Interest pursuant to this SIOUKAS Agreement, the SPLF shall have no duty with respect to any monitoring of the performance of any of the obligations of either the SRCF or the SPLA with respect to the Fund or this SIOUKAS Agreement.

4. No Modification by Fund Beneficiary. The SRCF acknowledges and agrees that any agreement or understanding that SRCF has entered into or may enter into with the SPLA does not and shall not alter any of the terms set forth in this SIOUKAS Agreement. As Fund beneficiary, SPLA will periodically provide SRCF with contact information for its Fund representative who will have access to Fund information.

5. Counterparts. This SIOUKAS Agreement is effective once signed by all of the Parties, and may be executed in counterparts, each of which shall be deemed an original (including copies sent to a party by facsimile transmission or in portable document format (pdf)) as against the Party signing such counterpart, but which together shall constitute one and the same instrument.

6. Governing Law. This SIOUKAS Agreement shall be governed and construed in accordance with the laws of the State of California.

7. Amendments. Any modification, alteration, or amendment of this Agreement must take the form of a writing signed by all the Parties that expressly states that it is an amendment to this SIOUKAS Agreement.

8. Contact Information: Contact information for each SRCF and SPLF follows:

For SRCF:  
[TO BE COMPLETED]

For SPLF:  
President  
Sacramento Public Library Foundation (later the Sacramento Literacy  
Foundation)  
3830 Random Lane  
Sacramento, CA 95864  
916-705-4463

AND

Executive Director  
Sacramento Public Library Foundation (later the Sacramento Literacy  
Foundation)  
2411 Alhambra Blvd., Suite 120  
Sacramento, CA 95817  
916-836-3540

9. Conflicting Provisions. If and to the extent that any provision in the attached DFA conflicts with any of the foregoing paragraphs 1 through 8 above, then the provisions set forth in paragraphs 1 through 8 above shall control.

Dated: \_\_\_\_\_ SACRAMENTO PUBLIC LIBRARY FOUNDATION

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

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

Title: \_\_\_\_\_

Dated: \_\_\_\_\_ SACRAMENTO REGION COMMUNITY FOUNDATION

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

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

Title: \_\_\_\_\_



# DESIGNATED FUND AGREEMENT

FUND ID   
*For internal use only*

PLEASE INDICATE THE NAME OF YOUR FUND  
*e.g., Smith Family Fund, Twin Rivers Fund, etc.*

The Jack and Lillian Sioukas Endowment Fund to Benefit the Sacramento Public Library Sacramento Room.

PLEASE DESCRIBE THE CHARITABLE PURPOSE OF YOUR FUND *e.g., performing arts, animal welfare, youth development*

The Sacramento Room at the Central Library

## FOUNDING DONOR 1

Name

Title or Salutation

Organization (if applicable)

Mailing Address

City

State ZIP

Preferred Phone  Home  Cell  Work

Alternate Phone  Home  Cell  Work

Email address

## FOUNDING DONOR 2 (optional)

Name

Title or Salutation

Organization (if applicable)

Mailing Address

City

State ZIP

Preferred Phone  Home  Cell  Work

Alternate Phone  Home  Cell  Work

Email address

## FUND RECOGNITION

- The Foundation may use the Fund name for grants and in Foundation materials and publications.
- This Fund should remain anonymous in grant letters and Foundation publications.



## GIFT TO ESTABLISH FUND

- Check for \$ \_\_\_\_\_ payable to Sacramento Region Community Foundation
- Marketable securities: \_\_\_\_\_ shares of \_\_\_\_\_ stock
- Mutual funds
- Real estate
- IRA/retirement plan/insurance policy
- Will/bequest/trust *(Please provide a copy of the relevant portion of the document.)*
- Other (please describe) \_\_\_\_\_

## INVESTMENTS

*Please refer to **Fund Terms and Conditions** for more information on Investment policies.*

This Fund is an:

- ENDOWED FUND** – fund will be permanent; it will be invested to provide an annual amount that will be spent to carry out the fund’s charitable purpose in perpetuity.
- EXPENDABLE FUND** – fund may make grant distributions until all fund assets are exhausted. A minimum balance of \$500 is required to keep this fund open.

If you checked Expendable Fund, please choose one of the options below. You may select the investment option that closely matches your timing for making grants.

- SHORT TERM PORTFOLIO** – provides a high level of liquidity for funds with short-term grantmaking strategies (spending horizon of 1-3 years)
- INTERMEDIATE TERM PORTFOLIO** – balances mild liquidity needs with a reasonable level of expected appreciation over full market cycles (spending horizon of 3-5 years)
- LONG TERM PORTFOLIO** – mirrors the endowment investment strategy as closely as possible with the intention of maintaining assets within the pool for a longer time frame (over 5 years)



### DESIGNATED ORGANIZATIONS

Please indicate the charitable organization(s) you wish your Fund to support. If more than one organization is supported, percentages must total 100%. If your Fund is endowed, the amount distributed will be the amount made available to spend, as determined by the Foundation's spending policy. (If additional space is required, please see Special Instructions section.)

1. SacPublicLibraryAuthority 100 %    2. \_\_\_\_\_ %  
 3. \_\_\_\_\_ %    4. \_\_\_\_\_ %

### SUCCESSION PLAN

In the event that any of the organizations you have designated for support dissolves or ceases to exist, you may request that the portion be redirected in one of the ways set out below.

- To the remaining organizations.
- To the organization that most closely matches the original designee.
- To the following nonprofit organization(s):  
 \_\_\_\_\_
- To benefit organizations conducting charitable work in the following "field of interest" (you may indicate purpose and/or geographic area):  
 \_\_\_\_\_
- To organizations addressing the community's greatest needs through the *Community Impact Fund*, as determined by the Foundation's Board of Directors
- To help continue the Foundation's work well into the future through the *Friends of the Foundation Endowment*.

### SUPPORT FEES

Please refer to **Fund Terms and Conditions** for more information on Fee policies.

Support fees are determined by the level of service required to administer this Fund as well as by the amount in the Fund, and are initially set at the time the agreement is signed. Fees reflect whether the funds are assessed on a per-grant basis or annually on a percentage of the annual fund balance. If the annual percentage applies to the Fund, the fee is calculated monthly and paid directly to the Foundation from the Fund on a monthly basis. The minimum annual Support Fee on Designated Funds is \$250.00.

To be completed by the Foundation:

The annual Support Fee for the \_\_\_\_\_ Fund shall be the greater of \$250.00 or either of the following [ \_\_\_\_\_ % of the fair market value of the Fund per annum/ \_\_\_\_\_ % of distributions from the Fund].

- I have included a gift to the Fund at Sacramento Region Community Foundation in my estate plan.  
 (Please provide a copy of the relevant portion of the document.)



#### ONLINE ACCESS TO FUND INFORMATION

All Fund Contacts are automatically signed up for the Foundation's online fund service, **DonorCentral**. With **DonorCentral**, Fund Contacts are able to view fund information at any time. Fund Advisors are also able to submit grant recommendation electronically. Unique login and password information are provided to each Contact.

#### SUPPORTING THE FOUNDATION

The Foundation's operating expenses are covered by modest Support Fees and the generosity of caring donors. We invited you to consider a contribution to the *Friends of the Foundation Endowment* to support the Foundation's operations. Your gift will ensure that the Foundation will continue to be responsive to community needs and work toward expanding philanthropy in this region. If you would like to support the *Friends of the Foundation Endowment*, please select one of these two options.

- \_\_\_\_\_ % or \$ \_\_\_\_\_ annually
- One-time gift of \$ \_\_\_\_\_

#### PLEASE TELL US HOW YOU LEARNED ABOUT THE FOUNDATION

- My Advisor \_\_\_\_\_
- Current Fundholder \_\_\_\_\_
- Foundation Board/Former Board \_\_\_\_\_
- Foundation Staff/Visibility \_\_\_\_\_
- Website \_\_\_\_\_
- Mailing \_\_\_\_\_
- Capital Public Radio \_\_\_\_\_
- KVIE Public Television \_\_\_\_\_
- Lodi Community Foundation \_\_\_\_\_
- Yolo Community Foundation \_\_\_\_\_
- Other \_\_\_\_\_





PROFESSIONAL ADVISORS

Many donors open funds with the Foundation with advice from an attorney, accountant, financial advisor, or other professional. These individuals may also be involved in the transfer of assets into your Fund. It is helpful to know who these advisors are. (Contact information is not shared outside the Foundation.)

ADVISOR 1

Name

Type of Advisor (check one)
Attorney CPA Financial Planner Other

Name of Firm

Business Address

City

State ZIP

Business Phone Business FAX

Email Address

ADVISOR 2

Name

Type of Advisor (check one)
Attorney CPA Financial Planner Other

Name of Firm

Business Address

City

State ZIP

Business Phone Business FAX

Email Address



SPECIAL INSTRUCTIONS

*Please provide any additional information or instructions pertaining to your Fund.*

## TERMS AND CONDITIONS

### TAX STATUS OF CONTRIBUTION

Funds established at the Sacramento Region Community Foundation (“Foundation”) and its affiliates are component funds of the Foundation, a Section 501(c)(3) public benefit corporation. All contributions to the Foundation’s funds are treated as gifts to a Section 501(c)(3) public charity and are tax-deductible, to the extent allowed by law, subject to individual and corporate limitations. Acceptance of all gifts is subject to the provisions of the Foundation’s Gift Acceptance Policy. Any assets contributed to funds at the Foundation, once accepted by the Board of Directors of the Foundation, represent unconditional and irrevocable gifts and are not refundable. Legal control and responsibility for the funds rest with the Foundation.

### VARIANCE POWER

All funds established at the Foundation are subject to the Foundation’s “variance power,” as set forth in its Bylaws. Variance power grants the Foundation’s Board of Directors the power to modify any condition or restriction on the distribution of funds for any specified charitable purpose or purposes, or to a specified organization or organizations if, in its sole judgment (without the necessity of the approval of any other party), such restriction or condition becomes, in effect, unnecessary, incapable of fulfillment, or inconsistent with the charitable needs of the community or area served by the Foundation.

### INVESTMENT OF ASSETS

All assets contributed to funds established at the Foundation are invested in the Foundation’s investment pools and are managed in accordance with the Foundation’s Investment Policy Statement (IPS). A copy of the Foundation’s current Investment Policy Statement is available upon request.

For the purposes of investments, the Foundation does not segregate the assets of any single fund from the assets of the Foundation’s other component funds, but will keep a separate account of the fund’s assets, and the fund’s proportionate share of all investment earnings and investment fees applied to the fund. In establishing a fund, the donor acknowledges that the investments in the fund are subject to market and interest rate fluctuations. All investment returns are reported net of all investment fees.

All endowed funds are invested in the Foundation’s endowment pool. For expendable funds, the Donor may select from a number of expendable pools. The asset allocation of these pools is geared towards the donor’s spending horizon for the fund. Annually, the donor may select to move to a different pool.

### SPENDING RULES

**Endowed funds:** The spending policy for endowed funds, contained in the IPS, utilizes a formula to determine the amount available to grant from a fund each year. It is designed to maintain a level of current spending while preserving the endowment in order to support future spending. The Foundation shall appropriate for expenditure, for the purposes for which the Fund is established, so much of the Fund as the Foundation deems prudent, in accordance with the Uniform Prudent Management of Institutional Funds Act (UPMIFA) (as amended from time to time) and the Spending Policy adopted by the Foundation (as amended from time to time).

The amount available to spend (ATS) is determined by calculating the rolling average fair market value of the Fund over the previous 12 quarters (or since inception for funds less than three years old). This rolling average is then multiplied by the current spending percentage to arrive at the amount available to spend from the Fund in the following year. The Board reviews its spending policy annually, and may increase or decrease the percentage available to spend. **As of the approval date of this agreement, the spending policy is 4%.**



Endowed funds established before the end of the third quarter (September 30) will have an ATS amount as of January immediately following the establishment of the Fund. Endowed funds established during the fourth quarter will not have an available to spend amount in the January immediately following the establishment of the Fund, but they will have an ATS amount the next January.

**Expendable funds:** The current balance of an expendable fund (excluding uncleared checks and pending stock transfers) must be adequate to cover the distribution amount and any current applicable Support Fees. A required minimum balance of \$500 must remain in the Fund in order to keep the Fund open.

#### GRANT DISBURSEMENTS

In order to qualify for a grant from a Foundation fund, the proposed grantee must be a qualified charitable recipient, and the proposed grant must be consistent with the Foundation's charitable purposes. Grants may be made to any 501(c)(3) organization or verified charitable entity (e.g., schools, colleges and universities, religious institutions, town and municipal governments, police departments, etc.) located in the United States.

Grant checks sent to organizations are accompanied by a Foundation letter specifying the name of the Fund unless requested otherwise by the Founding Donor and as approved by the Foundation. Grants made from funds at the Foundation are issued on checks with the name of the Foundation.

#### RESTRICTIONS ON GRANTS

In compliance with the Internal Revenue Code, grants are not permitted for non-charitable purposes; for political contributions or to support political campaign activities; or for any purpose that would provide benefits, goods or services to a Donor to the Fund, the Fund's Advisor(s) or other related parties. A Fund Advisor is subject to IRS penalties if the Fund's Donor(s), Advisor(s), or other related parties receive benefits, goods or services in connection with a grant recommendation. This includes grants to satisfy pledges made by any person, including a Fund Advisor, and non-deductible (or partially tax-deductible) memberships, event tickets, sponsorships, registration fees in tournaments, and cause-related marketing activities.

Grants are not allowed to Private Foundations.

#### FUNDRAISING

Additional gifts may be made directly to a fund at any time. Donors contributing to Foundation funds have the option to donate via credit card. The Foundation reserves the right to deduct the credit card fee from the donation. For liability reasons, fundraising events cannot be held in the name of a Donor Advised Fund, nor can the Foundation pay event vendors out of a charitable fund. A copy of the Foundation document Policies and Guidelines for Promoting Funds of the Community Foundation will be made available on request.

#### FEES AND FUND MINIMA

As a nonprofit public benefit organization, the Foundation supports its work on behalf of fundholders and the community by charging Support Fees to manage charitable funds. Within the Foundation, the fees cover fund establishment, gift acknowledgement, investment management, grants administration and individualized donor services, such as research on nonprofit organizations and special requests. For the community, the fees are used strategically to improve lives by initiating or partnering in efforts to address key local issues, paying attention to areas of community need not covered by other organizations. The Foundation's commitment to the local community is what sets the Foundation apart from commercial charitable funds, and all of the fees paid by fundholders stay in the region to support the work that the Foundation does in partnership with fundholders.

The Foundation shall retain reasonable compensation for its services and expenses. Such compensation shall be established by the Board of Directors of the Foundation in the form of annual Support Fees. Fees are determined



by the level of service required to administer the fund as well as by the amount in the fund, and are initially set at the time the agreement is signed. Fund agreements shall reflect whether the funds are assessed on a per grant basis or annually on a percentage of the annual fund balance. If the annual percentage applies to the Fund, the fee is calculated monthly and paid directly to the Foundation from the Fund on a monthly basis.

The minimum Support Fee on funds is \$500.00 for scholarships and \$250.00 for all other types of funds. The minimum Support Fee is effective as of the first full calendar year after the fund's establishment. The Support Fee structure may be amended from time to time by the Foundation board of directors with 45 days' written notice to the Donor. The fee structure for legacy funds, to be established by bequest or charitable trust, will be based on the fee structure in place at the date of funding.

There is no set-up fee to open a fund at the Foundation. Minimum funding amounts are required to establish active funds: currently, these amounts are \$25,000.00 for scholarship funds and \$10,000.00 for all other types of funds. Funds may be established with less than the required minimum provided that the minimum is met within a year of the fund's establishment; grants may not be made from funds until the required minimum is achieved. Fees and minimum fund amounts are not applicable to legacy funds until the funds become active. Expendable funds must maintain a minimum balance of \$500.00 to remain open.

#### FUND CONTACTS

The **Founding Donor(s)** of a Designated Fund may serve as a **Fund Representative** to access information on the Fund and receive financial statements.

#### POLICIES

The undersigned have received and agree to the foregoing terms and conditions and to Foundation policies referred to herein.

#### INDEMNITY

In consideration of the Foundation's creating a Fund at the request of the undersigned individual(s) or entity and for other good and valuable consideration, the undersigned hereby agree to indemnify and hold harmless the Foundation against any liability, cost, or expense which the Foundation may incur by reason of its acting upon instructions or recommendations given to the Foundation by any of the undersigned or by persons authorized to make recommendations with regard to the Fund.



DONOR ACKNOWLEDGEMENT AND SIGNATURES

I acknowledge that I have read the Sacramento Region Community Foundation Terms and Conditions and agree to the fees, terms, and conditions described therein. I understand that any contribution, once accepted by the Foundation's Board of Directors, represents an irrevocable gift to Sacramento Region Community Foundation. The Foundation's Board of Directors has variance power under IRS regulations, and this gift is not refundable to me. I hereby certify, to the best of my knowledge, all information presented in connection with this form is accurate, and I will notify Sacramento Region Community Foundation promptly of any changes.

FOUNDING DONOR 1

FOUNDING DONOR 2

Signature

Signature

Print Name

Print Name

Date

Date

SACRAMENTO REGION COMMUNITY FOUNDATION SIGNATURE

Authorized Signature

Title

Print Name

Date



955 University Avenue, Suite A  
Sacramento, CA 95825  
TEL 916.921.7723  
FAX 916.921.7725  
www.sacregcf.org



# **EXHIBIT 7**

**Exhibit 7 to Settlement Agreement and Mutual Release between Sacramento Public Library  
Authority and Sacramento Public Library Foundation et al.**

**Exemplar of Lion Logo**

SACRAMENTO  
PUBLIC LIBRARY



FOUNDATION



# **EXHIBIT 8**

**Exhibit 8 to Settlement Agreement and Mutual Release between Sacramento Public Library  
Authority and Sacramento Public Library Foundation et al.**

**List of Email Addresses Previously Used By Sacramento Public Library Foundation**

yolanda@saclibraryfoundation.org

natosha@saclibraryfoundation.org

samantha@saclibraryfoundation.org

dejan@saclibraryfoundation.org

april@saclibraryfoundation.org

lisa@saclibraryfoundation.org

aom@saclibraryfoundation.org

info@saclibraryfoundation.org

# **EXHIBIT 9**

1 HANSON BRIDGETT LLP  
ANDREW W. STROUD, SBN 126475  
2 ROSANNA W. GAN, SBN 325145  
500 Capitol Mall, Suite 1500  
3 Sacramento, California 95814  
Telephone: (916) 491-3050  
4 Facsimile: (916) 491-3074

5 OFFICE OF THE SACRAMENTO CITY ATTORNEY  
JENNIFER V. GORE, SBN 232489  
6 jvgore@cityofsacramento.org  
915 I Street, 4th Floor  
7 Sacramento CA 95814  
Telephone: (916) 808-5346  
8 Facsimile: (916) 808-7455

9 Attorneys for Plaintiff SACRAMENTO  
PUBLIC LIBRARY AUTHORITY

10

11

**UNITED STATES DISTRICT COURT**

12

**EASTERN DISTRICT OF CALIFORNIA, SACRAMENTO DIVISION**

13

14 SACRAMENTO PUBLIC LIBRARY  
AUTHORITY,

15

Plaintiffs,

16

v.

17

18 SACRAMENTO PUBLIC LIBRARY  
FOUNDATION; APRIL L. JAVIST, its  
Executive Director; and JAMES  
19 DEERINGER, its President,

20

Defendant.

21

**Case No. 2:20-CV-00678-WBS-KJN**

**STIPULATION AND ORDER FOR  
JUDICIAL APPROVAL OF  
SETTLEMENT AGREEMENT**

Judge: Hon. Kendall J. Newman

22

23

24

25

26

27

28

Plaintiff SACRAMENTO PUBLIC LIBRARY AUTHORITY (“Plaintiff”) and  
Defendants SACRAMENTO PUBLIC LIBRARY FOUNDATION; APRIL L. JAVIST, its  
Executive Director; and JAMES DEERINGER, its President (“collectively “Defendants”),  
jointly present this Stipulation requesting that the Court approve the Settlement  
Agreement and dismiss the action with prejudice based on the following:

A. WHEREAS this Court conducted a multi-day Settlement Conference before  
this Court;

1           B.       WHEREAS the Parties to this litigation appeared and participated in good  
2 faith in the Settlement Conference in order to resolve this action;

3           C.       WHEREAS the terms of the settlement reached between the Parties were  
4 placed on the record by this Court on September 24, 2020: and;

5           D.       WHEREAS the Parties have now memorialized the terms of their settlement  
6 in a final Settlement Agreement executed by the Parties and have jointly stipulated and  
7 agreed that this Court should review and approve the Settlement Agreement;

8           NOW, THEREFORE, IT IS HEREBY ORDERED, as follows:

9           1.       The Settlement Agreement executed by the Parties and attached hereto as Exhibit  
10 1 is hereby APPROVED in all respects as being in the best interests of the Parties and  
11 their donors;

12           2.       Pursuant to the terms set forth in the Settlement Agreement, the Parties are  
13 hereby instructed to serve a copy of this Order and the Settlement Agreement on the  
14 Office of the Attorney General of the State of California in order to seek approval by the  
15 Attorney General's Office of the Settlement Agreement including the asset transfers and  
16 the transactions contemplated in the Settlement Agreement, and to advise the Attorney  
17 General's office that: (i) this Court has approved of the Settlement Agreement including  
18 the asset transfers and the transactions contemplated therein; and (ii) the Parties request  
19 that within 30 days the Attorney General approve in writing the Settlement Agreement  
20 including the asset transfers and the transactions contemplated in the Settlement  
21 Agreement.

22           3.       This Court shall retain jurisdiction over this matter to the extent provided for  
23 by the Parties in the Settlement Agreement.

24  
25  
26  
27  
28

1 DATED: January \_\_, 2021

HANSON BRIDGETT LLP

2

By:           /s/ Andrew W. Stroud          

3

ANDREW W. STROUD

4

ROSANNA W. GAN

5

Attorneys for Plaintiff SACRAMENTO

PUBLIC LIBRARY AUTHORITY

6 DATED: January \_\_, 2021

MURPHY AUSTIN ADAMS SCHOENFELD LLP

7

By:           /s/ Michael R. O'Neil          

8

MICHAEL R. O'NEIL

9

Attorney for Defendants SACRAMENTO PUBLIC

LIBRARY FOUNDATION; APRIL L. JAVIST, its

Executive Director; and JAMES DEERING, its

President

10

11

12

IT IS SO ORDERED.

13

14

15

Dated: \_\_\_\_\_

\_\_\_\_\_  
Hon. Kendall J. Newman

Judge, United States District Court

17

18

19

20

21

22

23

24

25

26

27

28



January 28, 2021

Agenda Item 5.2: Sacramento Public Library Annual Report 2019-2020

**TO:** Sacramento Public Library Authority Board

**FROM:** Lisa Martinez, Communications Manager

**RE:** Sacramento Public Library Annual Report 2019-2020

**SUGGESTED ACTION(S):**

Receive and file

**BACKGROUND:**

The attached 2019-20 Annual Report captures the Library's impact on the Sacramento region. This includes engaging in community conversations to uncover and address the region's most pressing issues, investing in facilities such as the newly renovated Sylvan Oaks Library, bringing the Library to the community with an expanded mobile services fleet, and serving a record number of meals to local children. The Library's response to the global pandemic demonstrated its ability to be nimble and meet the community's needs in person and online. Digital circulation surged in the spring and staff launched 21 new virtual programs and services.

**ATTACHMENT(S):**

[5.2 Sacramento Public Library Annual Report 2019-2020 - ATT A.pdf](#)



# FY 2019–2020 **ANNUAL REPORT**

**sac**<sup>®</sup>  
**lib** SACRAMENTO PUBLIC LIBRARY



## ANNUAL REPORT FISCAL YEAR 2019–2020

The past year demonstrated Sacramento Public Library's ability to meet the community's needs despite a shifting landscape. The library continued to foster community connections, both in-person and online, through its innovative, creative and customer-centric approach.

### HIGHLIGHTS

#### *Engaging in community conversations*



In 2019, Sacramento Public Library conducted 83 community conversations across all 28 locations to uncover the most pressing community issues and identify ways to meet those needs. Facilitated by Rich Harwood, *Stepping Forward* author and Harwood Institute president, the conversations surfaced common concerns: community, safety, accessibility, homelessness, government involvement, stewardship, acceptance, diversity and action. These findings were shared with community leaders through a series of roundtables designed to develop common ground solutions. The library has since adopted the themes of acceptance, inclusion and accessibility as guiding principles in its strategic plan, programs and services.

#### *Investing in our spaces*



The library continually invests in its facilities to provide the community with dynamic and functional public spaces. The team developed and implemented plans to improve the landscaping at Southgate, South Natomas, Valley-Hi North Laguna, Sylvan Oaks and Colonial Heights libraries and installed enhanced safety features throughout the library system. In July 2019, the newly renovated Sylvan Oaks Library reopened to the public. The \$2.5 million project included an enhanced children's area, new homework help zone, updated teen space, new computers and AV system, two quiet rooms, energy-efficient lighting, an enhanced community room and the addition of a multi-purpose room. New collections of Russian, Spanish and Ukrainian books were also added.

#### *Rising to challenges in the pandemic*



As Sacramento County faced shelter-in-place orders in March 2020, the library quickly shifted away from in-person services to digital and touchless services. While the library doors were closed, its virtual doors remained open. Circulation of our digital collection surged in the spring contributing to an increase of 25% over the previous year. A total of 21 new programs and services were launched between March and June 2020. Library staff leveraged digital and social channels to offer virtual programs and introduced new services such as virtual job coaching and a suite of educator resources. Library staff also supported the local pandemic response through non-traditional work with government, first responders and community organizations. In May, the library resumed some in-person services through curbside pickup, computer appointments and mobile services.

## COMMUNITY IMPACT

### Meals @ the Library sets records, adds after school supper

Lunch @ the Library served healthy meals to 21,555 children at 13 library sites throughout the summer, increasing 58% over the previous year. A variety of activities, resources and partnerships deepened the impact of meal services through health education, free eye exams, STEM and art programming. The teen program coordinators managed daily operations and were critical to the program's success. Teens developed workforce readiness skills, and learned about the library and their own abilities in the process. Meal service expanded into the school year with After-School Supper at nine locations. A total of 6,947 after school meals were served before ceasing service in March due to the pandemic.



#### By the numbers:



**13**  
LOCATIONS



**8**  
WEEKS



**21,555**  
CHILDREN SERVED



**58%**  
INCREASE YOY

### Bringing the library to the community

The mobile services team debuted a new outreach van called Vincent Van Go (a.k.a. Vinny), acquired through the State Library's Pitch-an-Idea Grant in late 2019, expanding the fleet of two bookmobiles. Mobile services bring the library to the community and travels an average of 8,000 miles each year with stops as far south as Galt and as far north as Citrus Heights. The mobile services team makes regular visits to more than 50 locations, including shelters, affordable apartment complexes, senior residential centers and retirement communities. Mobile services also makes weekly visits to Rancho Murieta, a small community east of the City of Sacramento, otherwise not having any nearby library services.



#### By the numbers:



**8,000**  
MILES EACH YEAR



**500**  
LOCATIONS



**3**  
VEHICLES

### Health literacy program launches

As part of the library's health literacy program, health liaisons were introduced at 29 locations, including mobile services to provide health education and resources to patrons. The Library partnered with Samuel Merritt University to have registered nurses provide blood pressure checks and heart health education workshops. A new Brain Health Initiative in partnership with the Alzheimer's Association offered Fidget Blanket workshops as well as educational programs on Alzheimer's disease and brain health.



## COVID-19 RESPONSE

As COVID-19 shut down the Sacramento region in March 2020, the library suspended all in-person operations and shifted its service model to meet the community's needs. The library's digital collection and new virtual programs and services such as storytime, job coaching and book clubs served needs during the pandemic's early months. As students transitioned into distance learning, the library adapted resources for the virtual space.



### Increased digital collection usage, virtual library cards

The library's digital doors are always open. Immediately following shelter-in-place orders in March, demand soared for the digital collection, including ebooks and audiobooks. The library responded by shifting over \$500,000 in collection development funds to expand digital offerings. Digital checkouts for fiscal year 2020 reached 2,612,738, an increase of 20% over fiscal year 2019. This includes usage from avid digital collection users as well as demand from new users. During the last four months of the fiscal year, 10,174 virtual library cards were issued.



### New services introduced during the pandemic

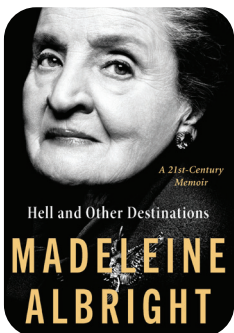
Library staff found creative ways to provide services and support for patrons during the pandemic. Career development services migrated online with virtual job coaching. Patrons were able to request assistance in finding professional development opportunities, online training and learning resources via Learn How Now. By May, limited in-person services resumed with computer appointments, mobile services and the introduction of curbside pickup with new safety protocols.



### Shift to virtual programming

A robust schedule of virtual programming was developed within days of the library's closure and continues to grow. Staff produced 171 live virtual programs and 124 pre-recorded programs between March and June, which garnered 19,698 views.

To provide early learning support, storytimes were available on-demand on the library's website and YouTube channel along with live bilingual and hip-hop storytimes on Facebook. New programs supporting mental health helped teens and tweens engage and connect. Librarians adapted teen volunteer opportunities, met virtually with teen advisory boards and continued popular teen programs in Zoom, such as trivia, book clubs and Teen Space programs.



A variety of adult programs were also introduced ranging from virtual book clubs, live reading recommendations and happy hours to author visits. More than 550 attendees tuned in for the library's first virtual Authors Uncovered event with former Secretary of State Madeleine Albright.

## COVID-19 RESPONSE

### Support for distance learning

As schools worked to bridge the distance-learning gap, youth services staff created resources to help, including a series of videos for virtual classes and school visits. Between April and June, 1,800 students were reached through school and community visits. Teachers requested presentations ranging from how to research a history project on the “Big Four” for fourth graders to a virtual tour of the library for high school students and services for students “who are reluctant readers, reading below grade level and speak English as a second language.”



Librarians conducted two live virtual visits a week to the City of Sacramento’s emergency childcare sites for youth ages 6 to 13 to share stories, poems, music and movement activities. The library also provided books and Summer Reading materials to families participating in meal distribution.

### Local pandemic response

During the pandemic, library staff provided support for local government, first responders and community organizations through non-traditional work, including:



**15,775**

CENSUS 2020 OUTREACH CALLS TO PATRONS



**400+**

FACE SHIELDS PRODUCED ON LIBRARY 3D PRINTERS FOR PUBLIC HEALTH STAFF WORKING AT COVID -19 TESTING SITES AT CAL EXPO AND ST. PAUL’S CHURCH, LONG-TERM CARE AND SKILLED NURSING FACILITY NURSES AND LIBRARY STAFF



**286**

SURPLUS COMPUTERS FOR SACRAMENTO COUNTY OFFICE OF EDUCATION DISTRIBUTED TO SPECIAL EDUCATION FAMILIES IN NEED



**178**

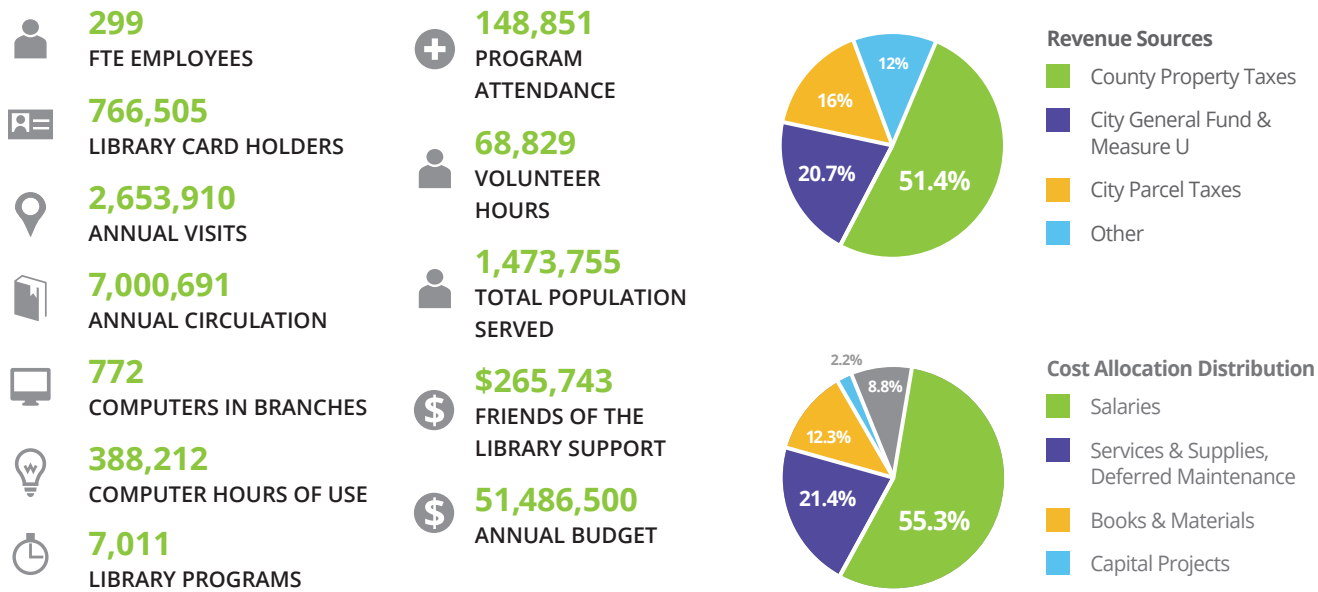
HOURS OF PHONE OUTREACH FOR MAYOR’S OFFICE OF CIVIC ENGAGEMENT’S GREAT PLATES DELIVERED



**6**

LIBRARY LOCATIONS HOSTED FREE WEEKLY WI-FI BUS VISITS THROUGH A PARTNERSHIP WITH SACRT, CALIFORNIA STATE TRANSPORTATION AGENCY AND CITY OF SACRAMENTO

## LIBRARY AT A GLANCE FY 2019–2020



## RECOGNITION

- **Rivkah Sass**, Public Library Association Charlie Robinson Award – June 2020
- **Sacramento Public Library**, Public Library Association Overdrive recognition for 2 million eMaterial checkouts Award – June 2020
- **Amber Clark**, Mover and Shaker Award from Library Journal – March 2019
- **Sacramento Public Library**, Inaugural Kline Prize – October 2019
- **Sacramento Public Library**, 2020 ALSC May Hill Arbutnot Honor Lecture featuring Neil Gaiman

## PARTNERS AND SUPPORT

In August 2019, Sacramento Public Library Authority Board approved an action to make Friends of Sacramento Public Library the official fundraising partner of the library. The Friends advocate, raise funds and provide crucial support to the system's 28 libraries. Together Sacramento Public Library and the Friends collaborate on programs to promote literacy and expand community access.

- |  |  |
|--|--|
| <ul style="list-style-type: none"> <li>• Friends of the Sacramento Public Library</li> <li>• ABC10</li> <li>• B Street Theatre</li> <li>• California State Library</li> <li>• Capital Adult Education Regional Consortium (CAERC)</li> <li>• Capital Public Radio</li> <li>• CBS 13</li> <li>• Crocker Art Museum</li> <li>• Delta Dental</li> <li>• Elk Grove Adult and Community Education</li> <li>• Fairytale Town</li> <li>• Macy's</li> <li>• Sacramento County Office of Education</li> <li>• Sacramento County Sheriff (Sacramento County Jail)</li> </ul> | <ul style="list-style-type: none"> <li>• Sacramento County Voter Registration and Elections</li> <li>• Sacramento First 5 Commission</li> <li>• Sacramento Food Bank &amp; Family Services</li> <li>• Sacramento Meals Coalition</li> <li>• Sacramento Municipal Utility District</li> <li>• Sacramento Theatre Company</li> <li>• Samuel Merritt University</li> <li>• Training Toward Self-Reliance (TTSR)</li> <li>• UC Davis Medical Center</li> <li>• United Way California Capital Region</li> <li>• Sacramento County Voter Registration and Elections</li> <li>• Vision to Learn</li> <li>• Wells Fargo</li> </ul> |
|--|--|



January 28, 2021

Agenda Item 5.3: Monthly Financial Report - November 2020

**TO:** Sacramento Public Library Authority Board

**FROM:** Johnny Ea, Finance Manager

**RE:** Monthly Financial Report - November 2020

**SUGGESTED ACTION(S):**

Receive and File

**BACKGROUND:**

**REVENUES**

Total revenues for the period ending November 30, 2020, were \$6,440,386, or 12.66% of the amount budgeted. The revenues are presented on a modified-accrual basis and do not reflect actual cash receipts. The Library's major revenue sources, such as property tax and City of Sacramento parcel tax, generally are received in February and May of each fiscal year. Year-to-date Sacramento City Contributions are \$5,321,525 for the months of July through November 2020.

**EXPENDITURES**

Total expenditures at the end of November 2020 were \$17,302,622. Salaries and benefits were at \$11,001,400 or 36.93%, slightly below the benchmark of 41.67% mainly due to attrition and position vacancies. Recruitment is ongoing to fill vacancies to provide sufficient staffing levels system-wide. The expenditures on books and materials are below the benchmark level at 31.43% since it is still early in the fiscal year and the timing of shipment. Overall expenditures ended below expectations at 30.05%, mainly due to books and materials, capital projects and equipment expenses that have not yet been made and the timing of expenditures for services and supplies.

**ATTACHMENT(S):**

[5.3 Monthly Financial Report - November 2020 - ATT A.pdf](#)

**Sacramento Public Library**  
**Income Statement - Budget to Actual**  
**November - Fiscal Year 2021**

	<u>Total Budget</u>	<u>YTD Actual</u>	<u>Enc</u>	<u>Balance</u>	% of Budget Benchmark <u>41.67%</u>
<b>REVENUE</b>					
Fines and fees	20,000	15,250	0	4,750	76.25
Facility rental	0	21,075	0	(21,075)	0.00
Library property tax	27,700,000	0	0	27,700,000	0.00
Sac City contributions	12,771,661	5,321,525	0	7,450,136	41.67
Other agency contributions	125,000	0	0	125,000	0.00
Sac. City parcel tax	8,517,000	0	0	8,517,000	0.00
State appropriations	55,000	0	0	55,000	0.00
Grants, gifts and donations	495,372	494,673	0	699	99.86
Contribution for capital projects	0	0	0	0	0.00
Investment income	300,000	230,014	0	69,986	76.67
Transfers in	505,000	126,250	0	378,750	25.00
Other revenue	400,000	231,598	0	168,402	57.90
Services and supplies	0	0	0	0	0.00
Total REVENUE:	<u>50,889,033</u>	<u>6,440,386</u>	<u>0</u>	<u>44,448,647</u>	
<b>EXPENDITURE</b>					
Salaries and benefits	29,787,000	11,001,400	0	18,785,600	36.93
Books and Materials	7,378,360	2,319,031	0	5,059,329	31.43
Services and supplies	14,783,009	3,687,550	448,464	10,646,995	24.94
Capital and equipment	4,325,000	168,392	549,450	3,607,159	3.89
Transfers out	505,000	126,250	0	378,750	25.00
Other expenditures	800,000	0	0	800,000	0.00
Total EXPENDITURE:	<u>57,578,369</u>	<u>17,302,622</u>	<u>997,914</u>	<u>39,277,833</u>	
Net income (expense):	<u>(6,689,336)</u>	<u>(10,862,236)</u>	<u>(997,914)</u>	<u>5,170,814</u>	



January 28, 2021

Agenda Item 5.4: Monthly Treasurer's Report - November 2020

**TO:** Sacramento Public Library Authority Board

**FROM:** Johnny Ea, Finance Manager

**RE:** Monthly Treasurer's Report - November 2020

**SUGGESTED ACTION(S):**

Receive and File

**BACKGROUND:**

**INFORMATION**

The Monthly Purchases and Sales Transactions Report for the City of Sacramento's "Investment Pool A" for the month of November 2020 and the Sacramento Public Library summary of the City's monthly investment report are attached to this report.

This report satisfies the State's investment reporting requirements and complies with the Authority's Investment Policy. The complete City Treasurer's Report for the month of November 2020 is available upon request.

**FISCAL IMPACT**

The Library Authority had investments totaling \$27,368,962 as of November 30, 2020. Total cash and investments at November 30, 2020, were \$30,444,997, including a balance of \$3,076,035 in the Authority's Bank of America account. Investment income for the month of November was \$29,798, and year-to-date investment income is \$203,029.

The November portfolio yield was 1.23% and is 0.06% below the October yield of 1.29%. This yield compares favorably to the State of California Local Agency Investment Fund rate of return of 0.58% for November 2020.

**ATTACHMENT(S):**

[5.4 Monthly Treasurer's Report - November 2020 - ATT A.pdf](#)

[5.4 Monthly Treasurer's Report - November 2020 - ATT B.pdf](#)



City of Sacramento  
**PURCHASE AND SALE**  
*City Investment Pool A*  
 From 11-01-20 To 11-30-20

Trade Date	Settle Date	Sec Type Code	Security Symbol	Cusip	Quantity	Security	S & P	Unit Price	Amount
<b>PURCHASES</b>									
11-02-20	11-04-20	vrus	06048wk25	06048WK25	2,708,000	Bank of America Corp 0.750% Due 10-30-25	A-	100	2,706,646
11-12-20	11-25-20	fmus	3135ga4v0	3135GA4V0	5,000,000	Fannie Mae 0.625% Due 11-25-25	AA+	100	5,000,000
11-13-20	11-16-20	fhus	3134gxbm5	3134GXBM5	5,000,000	Freddie Mac 0.600% Due 11-12-25	AA+	100	4,998,500
11-13-20	11-16-20	frus	3133emd2	3133EMDZ2	5,000,000	Federal Farm Credit Bank 0.520% Due 10-21-25	AA+	100	4,987,950
11-13-20	11-24-20	mbus	13017hak2	13017HAK2	1,000,000.00	California Earthquake Auth Rev 1.477% Due 07-01-23		100	1,000,000
11-13-20	11-24-20	mbus	13017haj5	13017HAJ5	1,000,000.00	California Earthquake Auth Rev 1.327% Due 07-01-22		100	1,000,000
11-18-20	11-20-20	cdus	22549l2z7	22549L2Z7	10,000,000	Credit Suisse New York 0.540% Due 11-20-23	A1	100	10,000,000
11-30-20	12-17-20	fhus	3134gxfv1	3134GXFV1	5,000,000	Freddie Mac 0.625% Due 12-17-25	AA+	100	5,000,000
11-30-20	12-02-20	vrus	06048wk41	06048WK41	5,000,000	Bank of America Corp 0.650% Due 11-25-25	A-	100	4,992,500
									39,685,596
<b>SALES</b>									
11-01-20	11-02-20	cbus	191216bg4	191216BG4	3,056,000	Coca Cola Co 2.450% Due 11-01-20	A+	100	3,056,000
11-09-20	11-09-20	cbus	05253jat8	05253JAT8	7,000,000	Australia & New Zeala Bkg 2.250% Due 11-09-20	AA-	100	7,000,000
11-09-20	11-09-20	snus	4581x0cd8	4581X0CD8	5,000,000	Inter-American Dev Bank 2.125% Due 11-09-20	AAA	100	5,000,000
11-09-20	11-09-20	snus	45905uq80	45905UQ80	5,000,000	International Bk Recon & Develop 1.950% Due 11-09-20	AAA	100	5,000,000
11-12-20	11-12-20	cdus	48128l8r3	48128L8R3	3,000,000	JP Morgan Chase Bank NA 1.250% Due 05-12-25		100	3,000,000
11-12-20	11-12-20	fhus	3134gunj5	3134GUNJ5	5,000,000	Freddie Mac 2.030% Due 11-12-24	AA+	100	5,000,000
11-13-20	11-13-20	cpus	2546r2ld6	2546R2LD6	5,000,000	Walt Disney Company 1.920% Due 11-13-20	A1	99	4,941,600
11-15-20	11-16-20	mbus	59259ydh9	59259YDH9	4,000,000.00	Metropolitan Transn Auth N Y R 5.269% Due 11-15-20	BBB+	100	4,000,000
11-18-20	11-18-20	snus	459058hq9	459058HQ9	5,000,000	International Bk Recon & Develop 2.160% Due 11-18-24	AAA	100	5,000,000
11-19-20	11-19-20	fhus	3134gvvw5	3134GVVW5	5,000,000	Freddie Mac 0.820% Due 05-19-25	AA+	100	5,000,000
11-20-20	11-20-20	cbus	06747ptd1	06747PTD1	3,000,000	Barclays Bank Plc 1.500% Due 05-20-22	A	100	3,000,000
11-20-20	11-20-20	cdus	90348jut5	90348JUT5	3,000,000	UBS Bank CD 1.150% Due 05-20-25		100	3,000,000

City of Sacramento  
**PURCHASE AND SALE**  
*City Investment Pool A*  
 From 11-01-20 To 11-30-20

Trade Date	Settle Date	Sec Type Code	Security Symbol	Cusip	Quantity	Security	S & P	Unit Price	Amount
11-20-20	11-20-20	cpus	19121all3	19121ALL3	5,000,000	Coca Cola Company 1.470% Due 11-20-20	A1	99	4,949,775
11-23-20	11-23-20	cbus	57629wbw9	57629WBW9	5,675,000	Massmutual Global Funding 2.450% Due 11-23-20	AA+	100	5,675,000
11-25-20	11-25-20	frus	3133elzg2	3133ELZG2	5,000,000	Federal Farm Credit Bank 0.770% Due 05-13-25	AA+	100	5,000,000
11-27-20	11-27-20	frus	3133elbf0	3133ELBF0	5,000,000	Federal Farm Credit Bank 1.890% Due 11-27-24	AA+	100	5,000,000
11-30-20	11-30-20	cbus	717081dx8	717081DX8	3,000,000	Pfizer Inc 1.950% Due 06-03-21	AA-	101	3,027,240
11-30-20	11-30-20	cdus	89114nhx6	89114NHX6	5,000,000	Toronto Dominion Bank NY 2.500% Due 11-30-20	A1+	100	5,000,000
									81,649,615

**SACRAMENTO PUBLIC LIBRARY AUTHORITY**

**MONTHLY REVIEW – NOVEMBER 2020**

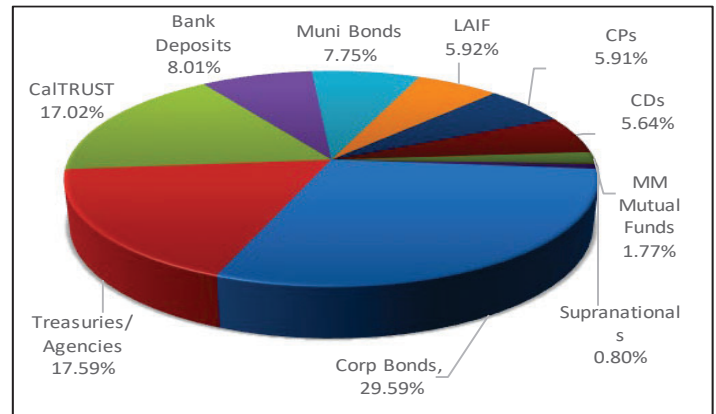
**STRATEGY**

The SPLA funds are invested in the City of Sacramento’s Pool A investment fund. The Fund is invested pursuant to the objectives and requirements set forth in the City’s investment policy. The three objectives of the investment policy, in order of priority, are (1) the preservation of capital by the investment in safe instruments, (2) the liquidity needs of the City and pool participants so such parties will have access to cash when they need it, and (3) the maximizing of current income while remaining consistent with the other more important objectives. The City’s investment policy incorporates applicable provisions of state law including, among other things, the prudent person standard and California Code Section 53601 pertaining to eligible investments.

**PORTFOLIO STATISTICS**

Beginning Balance	29,774,907
Contributions	1,064,305
Withdrawals	(3,500,048)
Interest Earned	29,798
Ending Balance	27,368,962

**CITY POOL A PORTFOLIO COMPOSITION**



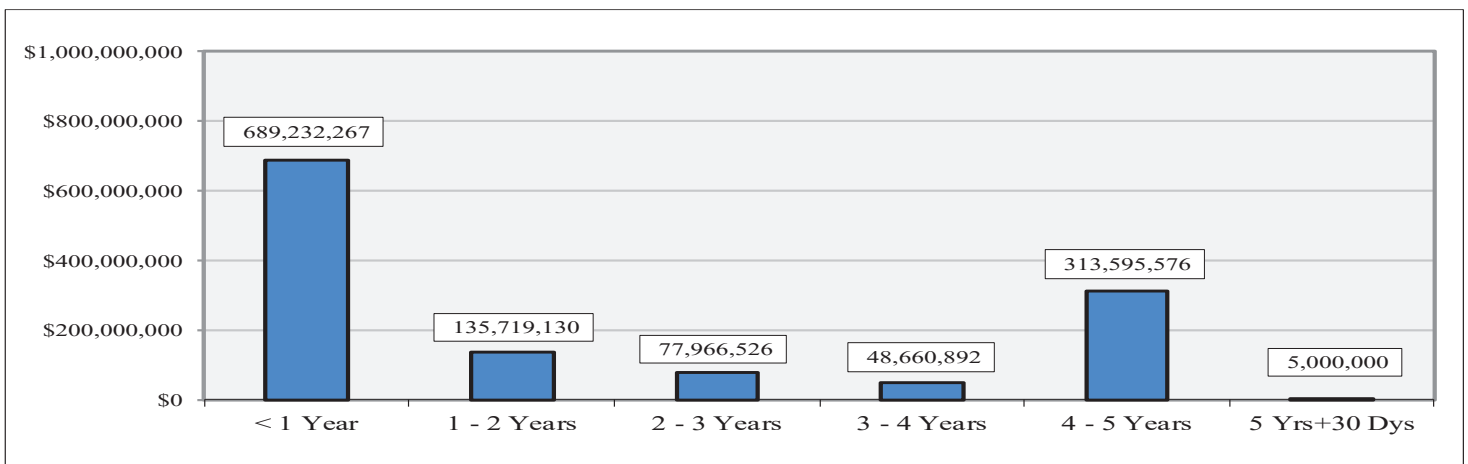
**PERFORMANCE COMPARISON**

City Pool A	1.23%
LAIF	0.58%
90 Day T-Bill	0.08%
Federal Funds	0.09%

Asset Type	Pct. Assets	YTM
Corp Bonds	29.59%	2.06%
Treasuries/Agencies	17.59%	0.85%
CalTRUST	17.02%	0.56%
Bank Deposits	8.01%	0.55%
Muni Bonds	7.75%	1.91%
LAIF	5.92%	0.58%
CPs	5.91%	0.90%
CDs	5.64%	0.94%
MM Mutual Funds	1.77%	0.01%
Supranationals	0.80%	1.27%

**CITY POOL A MATURITY SCHEDULE**

Maturity	Market Value	Pct. Holdings
< 1 Year	689,232,267	54.26%
1 - 2 Years	135,719,130	10.69%
2 - 3 Years	77,966,526	6.14%
3 - 4 Years	48,660,892	3.83%
4 - 5 Years	313,595,576	24.69%
5 Yrs+30 Dys	5,000,000	0.39%
Total	1,270,174,391	100.00%



City of Sacramento  
CASH LEDGER  
*Sacramento Public Library Authority*  
From 11-01-20 To 11-30-20

**All Cash Accounts**

Trade Date	Settle Date	Tran Code	Quantity	Security	Amount	Cash Balance
<b>Pool A Cash</b>						
11-01-20				Beginning Balance		29,601,676.61
11-03-20	11-03-20	li		Pool A Cash	1,064,305.08	30,665,981.69
				Nov 2020 Gen Fund & Measure U Contribution to SPLA, per AJ#347803		
11-04-20	11-04-20	lo		Pool A Cash	-47.70	30,665,933.99
				SPLA low income rebates FY2020-21, processing year FY2018-19 AJ#349780		
11-13-20	11-13-20	lo		Pool A Cash	-1,500,000.00	29,165,933.99
11-24-20	11-24-20	lo		Pool A Cash	-2,000,000.00	27,165,933.99
					-2,435,742.62	
<b>11-30-20</b>				<b>Ending Balance</b>		<b>27,165,933.99</b>
<b>Pool A Interest Receivable</b>						
11-01-20				Beginning Balance		173,230.42
11-30-20	11-30-20	in		Pool A Cash	29,798.48	203,028.90
				Nov 2020 estimated Pool A interest		
					29,798.48	
<b>11-30-20</b>				<b>Ending Balance</b>		<b>203,028.90</b>

January 28, 2021

Agenda Item 5.5: COVID-19 Occupancy Numbers

**TO:** Sacramento Public Library Authority Board

**FROM:** Jarrid P. Keller, Deputy Director

**RE:** COVID-19 Occupancy Numbers

**SUGGESTED ACTION(S):**

Receive and file.

**BACKGROUND:**

On January 13, 2021, the Sacramento County Public Health issued a new order moving Sacramento County into the State's Purple Tier 1 (widespread) subject to all State of California restrictions and guidance. In alignment with this tier, libraries are now allowed indoor operations at 25 percent capacity. As we prepare to reopen to the public for browsing, we have evaluated our building occupancy methodology based on the new guidance for operating in the State's Purple Tier. The new methodology is based on the following.

Conservative occupancy calculations:

We have always known that our occupancy methodology was based on conservative calculations. For example, our methodology included the use of a social distancing calculator to provide for 6' space between library users and also included the numbers of staff working in the building. Our maximum occupancy numbers provided access from 1 to 14 patrons depending on the size of the building and staff. Although, the State requires social distancing inside establishments, the guidelines do not require the use of a social distancing factor in the calculation for occupancy. Our occupancy numbers are also based on FEMA's method for calculating a 6-foot social distancing occupancy for every occupant.

Recent information:

The Governor's office released new information about not including staff in building occupancy calculations. The supplemental occupancy capacity information stated, "The fire department occupancy limit does NOT include staff. Trained staff serve as safety facilitators and help customers evacuate in an emergency. These same staff can assist in supporting public health protocols. Staff also play an important role by assisting customers quickly to avoid crowding and ensure appropriate physical distancing." Additionally, our environmental compliance consulting provider Network Environmental Systems, Inc. (NES), identified an error in our previous occupancy calculation.

Staff have always taken a pro-active approach to operating libraries in a COVID-19 environment. The new occupancy numbers (Attachment A) provide a starting occupancy based on a library assigned level. It allows branches to safely increase occupancy to support their local community need in accordance with the State's Purple Tier 1 (widespread). Staff will report back to the Authority Board with new occupancy numbers in accordance with State of California assigned tiers.

**ATTACHMENT(S):**

[5.5 COVID-19 Occupancy Numbers - ATT A.pdf](#)

Updated 1/25/21

Library	Open Date	Gross SF	Minus FFE %	Usable SF	Maximum Occupancy for Social Distancing	25% Occupancy	Level	Starting Occupancy in Purple Tier
North Natomas	2/16/2021	22,645	36	14,493	128	32	1	25
Carmichael	2/9/2021	20,690	36	13,242	117	29		
Valley Hi-North Laguna	2/9/2021	20,505	36	13,123	116	29		
Marin Luther King, Jr.	2/9/2021	15,078	36	9,650	85	21	2	15
Robbie Waters Pocket-Greenhaven	2/9/2021	15,000	36	9,600	85	21		
Sylvan Oaks	2/9/2021	14,000	36	8,960	79	20		
Elk Grove	2/9/2021	13,850	36	8,864	78	20		
South Natomas	2/9/2021	13,615	36	8,714	77	19		
North Highlands-Antelope	2/9/2021	12,890	36	8,250	73	18		
Arcade	2/9/2021	12,686	36	8,119	72	18		
Rancho Cordova	2/9/2021	12,500	36	8,000	71	18		
Colonial Heights	2/9/2021	12,211	36	7,815	69	17		
Belle Cooledge	2/9/2021	12,000	36	7,680	68	17		
Fair Oaks	2/9/2021	12,000	36	7,680	68	17		
Southgate	2/9/2021	12,000	36	7,680	68	17		
Arden-Dimick	2/9/2021	11,901	36	7,617	67	17		
Rio Linda	2/9/2021	7,778	36	4,978	44	11	3	10
Tsakopoulos Library Galleria	2/16/2021	5,400	0	5,400	48	12		
Galt-Marian O. Lawrence	2/9/2021	4,225	36	2,704	24	6	4	5
Walnut Grove	2/9/2021	3,580	30	2,506	22	6		
Nonie Wetzel Courtland	2/9/2021	2,325	30	1,628	14	5		
Isleton	2/9/2021	1,700	30	1,190	11	5		
McKinley	2/9/2021	4,681	36	2,996	27	7	5	Curbside & Computers only
<i>Central</i>		160,000	<i>Closed for Repairs</i>					
<i>Franklin</i>		19,621	<i>Curbside Service Only</i>					
<i>Del Paso Heights</i>		5,425						
<i>North Sacramento-Hagginwood</i>		4,000						
<i>Ella K. McClatchy</i>		2,557	<i>Remains Closed (ventilation)</i>					
<i>Orangevale</i>		7,910	<i>Under Construction</i>					

Maximum Occupancy-113 FEMA 6' Clearance  
 Formula-Building Square Feet X (1-(percent of occupied floor space/100) ÷ 113

SF - Square Footage  
 Opening Dates Subject to Change

January 28, 2021

Agenda Item 5.6: Budget-Audit Committee Process and Calendar

**TO:** Sacramento Public Library Authority Board

**FROM:** Rivkah K. Sass, Library Director

**RE:** Budget-Audit Committee Process and Calendar

**SUGGESTED ACTION(S):**

Receive and File

**BACKGROUND:**

On September 25, 2008, the Authority Board adopted Resolution 08-54, establishing the Budget-Audit Committee as a Standing Committee of the Sacramento Public Library Authority Board, with a minimum of three and no more than five members to be appointed annually by the Authority Board Chair. The staff report recommended that the Budget-Audit Committee meet at least twice annually.

To clarify the committee's responsibilities, the Library Authority Board adopted Resolution 14-06 on February 27, 2014, amending Resolution 08-54, and approved the appointment, duties and rotation schedule for the Sacramento Public Library Authority Board Budget-Audit Committee.

At that time staff recommended that in order to provide effective oversight of the Library's budget and audit, as well as continuity and a smooth transition from year-to-year, that the Budget-Audit Committee serve for an entire budget and audit cycle, and meet at least four times per year.

Consistent with the timeline approved in 2014, staff will include the appointment of the FY 2021-22 Budget-Audit Committee on the agenda for the March 25, 2021, Authority Board meeting.

The updated annual calendar for the meetings is attached.

**ATTACHMENT(S):**

[5.6 2021 Authority Board Budget-Audit Committee Appointment Duties and Rotation Schedule - ATT A.pdf](#)



## Sacramento Public Library Authority

### Budget-Audit Committee Process and Calendar

The Library's Budget-Audit Committee meets four times per year to the Library's budget and audit cycles with the first meeting occurring prior to the next fiscal year's proposed. The attached timeline outlines the typical appointment and meeting cycle.

<b>February or March</b>	<b>Appointment</b> Authority Board Chair appoints no fewer than three and no more than five members of the Authority Board chair to serve on the Budget-Audit committee for the next fiscal year.
<b>Late April or Early May</b>	<b>Proposed Budget</b> Budget-Audit Committee meets with library staff to review recommendations for the coming fiscal year's proposed budget. Proposed budget is presented to Authority Board.
<b>September</b>	<b>Final Budget</b> Budget-Audit Committee meets with library staff to review recommendations for final budget. Final budget is presented to Authority Board.
<b>December or January</b>	<b>Audit</b> Budget-Audit Committee meets with staff to review the annual audit. Audit is presented to Authority Board.
<b>February or March</b>	<b>Mid-Year Budget</b> Final meeting of current Budget-Audit Committee to review staff recommendations for the mid-year budget. Mid-Year Budget adjustment is presented to Authority Board. New Budget-Audit Committee is appointed to serve for next fiscal year.





January 28, 2021

Agenda Item 6.1: Action Summary - December 10, 2020

**TO: Sacramento Public Library Authority Board**

**FROM: Heather Wilde, Clerk of the Board**

**RE: Action Summary - December 10, 2020**

**SUGGESTED ACTION(S):**

Approve and file

**CALL TO ORDER:**

In attendance: Larry Carr, Shawn Farmer, Sue Frost, Rick Jennings, Patrick Kennedy, Stephanie Nguyen, Don Nottoli, Darren Suen, Karina Talamantes

Not in attendance: Angelique Ashby, Garret Gatewood, Eric Guerra, Susan Peters, Allen Warren

Board Chair Sue Frost declared a quorum and called the meeting to order at 3:05 p.m.

**PUBLIC COMMENTS ON MATTERS NOT ON THE AGENDA:**

None.

**PRESENTATIONS:**

**3.1 Friends of the Sacramento Public Library**

Karen Wilson, President of Friends of the Sacramento Public Library, encourages the Friends to attend the Library Board meetings. She recognized Library Early Learning and Development Manager Donna Zick's work on the Book First Program and reported that within 24 hours, more than 100 volunteers signed up to put together packets for first graders -- a success thanks to Donna Zick's leadership and the enthusiasm of the Friends of the Library. Chair Frost added that it's been an extraordinary year, and that she appreciates the Library leadership and the Friends of the Sacramento Public Library. Karen Wilson pointed out how much Director Sass is appreciated.

**3.2 Recognition of Outgoing Authority Board Members**

Chair Frost honored the four members who will not be returning next year: Susan Peters, Jeff Slowey, Larry Carr and Allen Warren. Director Sass also mentioned how much the Board members will be missed and that the Library will be adding books to the collection in their honor. Directors Nottoli, Suen, Nguyen and Farmer also recognized the four Board members who are retiring, thanked them for their dedication and thanked the Library staff for all they do. It was announced that Director's Suen and Nguyen would also be stepping down from the Board. Director Sass expressed that she will miss Directors Suen and Nguyen and thanked them for representing Elk Grove so well. Director Carr thanked everyone for their kind words.

**CLOSED SESSION:**

**4.1 CONFERENCE WITH LABOR NEGOTIATORS (Government Code Section 54957.6) Agency designated representatives Rivkah Sass, CEO, and Christopher Trew, HR Manager, Employee organization Local 39**

**4.2 PERFORMANCE EVALUATION (Government Code Section 54957) Title Library Director**

Chair Frost recommended moving the closed session to after Action Item 8.1.

Closed session started at 4:01 and ended at 5:10 with no reportable action.

**EXECUTIVE TEAM REPORT:**

Director Sass referred the Board to her written report and highlighted November 3 and the tremendous work Library staff and the Friends of the Library did by collecting close to 100,000 ballots over the course of the month of vote by mail. Sass recognized the help of Anita Scuri of the Friends, Library Deputy Director Cathy Crosthwaite, Library Logistics Supervisor Paula Stevens-Pike and all of the staff and volunteers that helped with the effort. Sass also mentioned the upcoming virtual Jane Austen tea with guest speaker Natalie Jenner, author of the best-selling book The Jane Austen Society.

**INFORMATION:**

- 6.1 COVID-19 - Del Paso Heights and North Sacramento-Hagginwood Libraries Update
- 6.2 Monthly Financial Report - September 2020
- 6.3 Quarterly Treasurer's Report Q1 - September 2020
- 6.4 monthly financial report - October 2020
- 6.5 Monthly Treasurer's Report - October 2020

**CONSENT:**

- 7.1 Action Summary – October 22, 2020
- 7.2 Proposed Authority Board Meeting Schedule for 2021
- 7.3 Contract Approval – Floor Cleaning Services – DFS Flooring
- 7.4 Contract Approval – Junk Removal Services – Rich’s Junk Hauling

Board Approved the Consent Agenda - Motion by Carr/Second by Talamantes - Approved by a Roll Call Vote (9-0).

**ACTION:**

- 8.1 Annual Audit Report - Fiscal Year 2019-20  
Library Finance Manager Johnny Ea presented the Annual Audit Report.

Board Approved Item 8.1 - Motion by Suen/Second by Carr – Approved by a Roll Call Vote (9-0).

**8.2 Contract Amendment - Library Director**

Chair Frost recommended extending Director Sass’s contract for one year ending December 2021 with a compensation increase of 2%, in line with what Library staff received. Jennifer Gore clarified that the current language of the contract says the Board will notify the director at the end of September to determine whether or not the contract will be further extended depending on recruitment progress for a new Library Director.

Board Approved the Item 8.2 - Motion by Frost/Second by Talamantes - Approved by a Roll Call Vote (9-0).

**REPORTS, IDEAS AND QUESTIONS FROM BOARD MEMBERS:**

None.

**ADJOURNMENT:**

The meeting was adjourned at 5:19

**ATTACHMENT(S):**

January 28, 2021

**Agenda Item 6.2: Contract Approval – Periodical & Instructional Database Package – Cengage Learning**

**TO: Sacramento Public Library Authority Board**

**FROM: Jarrid P. Keller, Deputy Director**

**RE: Contract Approval – Periodical & Instructional Database Package – Cengage Learning**

**SUGGESTED ACTION(S):**

Adopt Resolution 21-01, approving a contract with Cengage Learning for the Gale periodicals database package, including online learning service Gale Courses, for a three-year term, in a total amount not to exceed \$349,720.

**REASON FOR RECOMMENDATION:**

In a continuing effort to provide patrons with relevant, high-quality online resources, the Library routinely evaluates current online platforms. Periodical resources are an integral part of the Library's collection, relevant to individual needs and interests, supporting scholastic, vocational and recreational goals.

Library staff issued a Request for Proposal on October 30, 2020. Three qualified vendors responded, and a team of Library staff evaluated the proposals. Products were evaluated based on the following criteria:

- Interface intuitiveness and ease of use
- Quality and quantity of full text articles
- Quality and quantity of primary source materials
- Timeliness & relevance of research topics and materials

The Gale periodical database package rated highest overall and aligns the Library with the quality online training experience expected by its users. Cengage Learning was selected as a result of its robust collection of up-to-date research materials in multiple formats, all accessible in user friendly portals for each of the subject areas. Gale Courses, ranked second in the August 2020 evaluation of online training platforms, has been added as part of this package at a discounted rate.

Current highlights of the periodical database resources include:

- Student Resources in Context – Designed to meet Elementary, Middle School and High School research needs
- Opposing Viewpoints – Provides pro and con viewpoints on national and international social, political, economic and scientific issues
- Biography in Context – More than 600,000 biographical entries covering international figures from all time periods and fields of endeavor
- Academic OneFile – Articles from more than 17,000 leading scholarly journals
- Informe Academico – Spanish-language magazines and scholarly journals
- National Geographic, including Kids and Animals World
- Peterson's Career Prep

Gale periodical databases provide a high-quality, easy-to-use online interface and a robust selection of research portals to give students, from elementary to community college, the material necessary to complete highly detailed

and sourced research. The Gale periodical database package has been ranked as the best choice for the Sacramento Public Library, and will meet patron demands for robust online resources.

**FISCAL IMPACT**

No additional funds sought. Allocates \$115,415 of the collection budget to Cengage Learning for FY 20-21.

**ATTACHMENT(S):**

[6.2 Contract Approval - Periodical & Instructional Database Package - Cengage Learning - RES 21.01.pdf](#)

[6.2 Contract Approval – Periodical & Instructional Database Package – Cengage Learning - EXH A - Agreement.pdf](#)



# Sacramento Public Library Authority

## RESOLUTION 21-01

Adopted by the Governing Board of the Sacramento Public Library Authority on the date of:

**January 28, 2021**

APPROVING AN AGREEMENT WITH CENGAGE LEARNING FOR THE GALE PERIODICALS DATABASE PACKAGE, INCLUDING ONLINE LEARNING SERVICE GALE COURSES, FOR A ONE-YEAR TERM WITH TWO ONE-YEAR RENEWAL OPTIONS, IN A TOTAL AMOUNT NOT TO EXCEED \$349,720.

NOW THEREFORE BE IT RESOLVED BY THE GOVERNING BOARD OF THE SACRAMENTO PUBLIC LIBRARY AUTHORITY AS FOLLOWS:

1. The agreement with Cengage Learning, Inc., for a periodicals database package, is hereby approved for a three-year term, in a total amount not to exceed \$349,720.
2. The Library Director is authorized to negotiate and sign all documents related to this contract, consistent with the terms outlined above and the requirements of the Authority’s Contracts and Procurement Policy.

---

Sue Frost, Chair  
Eric Guerra, Vice Chair

ATTEST:

Rivkah K. Sass, Secretary

By: \_\_\_\_\_  
Heather Wilde, Assistant Secretary

**ATTACHMENT(S):**

Exhibit A: Periodical & Instructional Database Package – Gale Cengage Learning Agreement.pdf

**CENGAGE GALE PRODUCT AND SERVICES AGREEMENT**

**Name and Address of Licensee:**

Sacramento Public Library Authority  
 828 I St  
 Sacramento, CA 95814

In consideration of the Fees payable below, and subject to and in accordance with the attached Terms and Conditions, for the duration of the Term, CL shall provide the Gale Products and Services described in this Agreement to Customer:

<b>SACRAMENTO PUBLIC LIBRARY RESOURCES</b>	<b>ANNUAL SUBSCRIPTION PERIOD</b>	<b>YR 1 PRICE</b>
GALE IN CONTEXT: OPPOSING VIEWPOINTS	02/01/2021 -01/31/2022	\$5,512
GALE IN CONTEXT: US HISTORY	02/01/2021 -01/31/2022	\$5,512
GALE IN CONTEXT: SCIENCE	02/01/2021 -01/31/2022	\$5,512
GALE IN CONTEXT: ELEMENTARY	02/01/2021 -01/31/2022	\$2,205
GALE IN CONTEXT: MIDDLE SCHOOL	02/01/2021 -01/31/2022	\$2,205
GALE IN CONTEXT: WORLD HISTORY	02/01/2021 -01/31/2022	\$5,512
GALE IN CONTEXT: BIOGRAPHY	02/01/2021 -01/31/2022	\$5,512
GALE INTERACTIVE SCIENCE	02/01/2021 -01/31/2022	\$2,205
GALE IN CONTEXT: GLOBAL ISSUES	02/01/2021 -01/31/2022	\$5,512
GALE ONE FILE: INFORME ACADEMICO	02/01/2021 -01/31/2022	\$2,205
GALE IN CONTEXT: HIGH SCHOOL	02/01/2021 -01/31/2022	\$5,512
ONE FILE NEWS	02/01/2021 -01/31/2022	\$3,307
GENERAL ONE FILE	02/01/2021 -01/31/2022	\$6,615
ACADEMIC ONE FILE	02/01/2021 -01/31/2022	\$6,615
NATIONAL GEOGRAPHIC MAG 1995 - CURRENT	02/01/2021 -01/31/2022	\$3,307
NATIONAL GEOGRAPHIC MAG 1884 - 1994	02/01/2021 -01/31/2022	\$3,307
NATIONAL GEORGRAPHIC KIDS	02/01/2021 -01/31/2022	\$2,205
NATIONAL GEOGRAPHIC PEOPLE ANIMALS WORLD	02/01/2021 -01/31/2022	\$2,205
GALE COURSES	02/01/2021 - 01/31/2022	36750
PETERSON'S CAREER PREP	02/01/2021 - 01/31/2022	3700
<b>TOTAL</b>		<b>115,415</b>

**CUSTOMER AGREES TO A 3 YEAR COMMITMENT, PRICE INCREASES HELD TO 1% FOR YEAR 2 AND 3 OF CONTRACT**

**Billing Cycle:** Customer shall remit payment within thirty (30) days of receipt of CL's invoice.

All payments shall be made in United States' Dollars

This Agreement and the attached Terms and Conditions (“T&C’s”) (collectively referred to as the “Agreement”) is made on the date of signature below, and is by and between Cengage Learning, Inc. (CL collectively with its affiliates, subsidiaries, assigns, partners and designees, “CL”) and Customer. Customer acknowledges and agrees that Authorized Users must accept (or Customer must accept on behalf of the Authorized User) the Gale Terms of Use found (<https://www.cengage.com/legal/terms-gale>) (“Terms of Use”) prior to gaining access to the Products and Services.

<b>CUSTOMER</b>	<b>CENGAGE LEARNING, INC.</b>
<b>Signature:</b> _____ <b>Date:</b> _____	<b>Signature:</b> _____ <b>Date:</b> _____

**CENGAGE LEARNING, INC.**  
**GALE PRODUCT AND SERVICES AGREEMENT**  
**TERMS & CONDITIONS**

**1. Product and Services.** Subject to the timely receipt of payment and conformance to the T&Cs herein and the Gale Terms of Use, CL shall deliver the Product and Services, as detailed in the Agreement Invoice (which shall be attached hereto and incorporated herein by reference). CL shall make the Product and Services available for use by Customers' Authorized Users. An "Authorized User" means only (i) for public libraries: library staff, individual residents of the library's reasonably defined geographic service area, and walk-in patrons accessing the Services on site; (ii) for schools and academic institutions: currently enrolled students, faculty, staff, and visiting scholars, as well as walk-in patrons accessing the Services on site; (iii) for other types of organizations and subscribers: employees, and independent contractors, in the capacity of their employment or engagement with the organization. Authorized Users excludes corporate affiliates of the subscriber institution, academic bookstores, and alumni unless those users are expressly included in the Invoice.

**2. Terms of Service.** Subject to the payment of the Fees in the Invoice, Customer may authorize its Authorized Users to access and use the applicable Product for their individual, personal, non-commercial, educational, academic, and instructional use, only. Authorized Users includes identified individuals authorized to use the Product. Customer shall ensure that the Authorized Users and any other person that uses the Product through the use of Customer's access to the Product shall comply with the Terms of Use. Customer shall take all reasonable precautions necessary to safeguard against unauthorized access and use of the Product. Individual Authorized User utilization of the Product shall be subject to CL's Gale Terms of Use and Privacy Policy then in effect. For Customers with intended users under the age of eighteen (18), Customer shall be responsible for securing acceptance to the Terms of Use by a parent or guardian. CL may with, or without notice, add features to the Product, or change or remove features of the Product, at any time. CL will use reasonable commercial efforts to ensure that the Product is available on a monthly basis not less than 98.0% of the time, exclusive of scheduled outages, maintenance, and downtime that is outside of CL's reasonable control. As Customer's sole remedy for CL's failure to meet the monthly uptime requirement, at Customer's request, CL may provide a refund of the Fee pro-rated for the month where service was interrupted, in CL's sole discretion. CL may suspend Customer's and/or any Authorized User's access to the Product without liability if: (i) CL reasonably believes that the Product is being used in violation of this Agreement; (ii) Customer fails to cooperate with CL's reasonable investigation of a suspected violation of this Agreement; (iii) there is an attack on the Product or it is accessed or manipulated by a third party in violation of this Agreement; (iv) CL is required by law, or a regulatory or government body to suspend access to the Product; or (v) there is another event for which CL reasonably believes that the suspension of access to the Product is necessary to protect the Product or CL's other customers from imminent and significant operational, legal, or security risk. CL will give Customer advance notice of a suspension under this Section of at least thirty-six (36) hours unless CL determines in its reasonable commercial judgment that a suspension on shorter or contemporaneous notice is necessary to protect the Product or CL's other customers from imminent and significant operational, legal, or security risk. CL will not suspend access to the Product if the grounds on which the suspension are based are cured during the forgoing notice period.

**3. Intellectual Property.** CL has the proprietary rights in and to the Product and Services and CL owns all, right, title, and interest thereto, including all intellectual property rights associated therewith, throughout the world. Customer shall not, by virtue of this Agreement or by virtue of its access to the Product obtain any proprietary rights in or to the Product or Services. Customer shall not use or transmit the Product or Services in any manner except as specifically authorized herein.

**4. Warranties & Indemnities.** Customer represents and warrants that: (i) Customer has full power and authority to enter into this Agreement and to grant the rights granted hereunder; and (ii) Customer shall not use the Product or Services in any manner except as expressly authorized in this Agreement. To the extent allowable by law, Customer shall defend, indemnify, and hold CL and its distributors and service providers, and their respective officers, directors, employees and agents harmless against all claims, demands, suits, losses, costs, damages, and expenses (including attorneys' fees and costs) that CL may sustain or incur by reason of any breach or alleged breach of the aforesaid warranties of Customer or any of Customer's other obligations under this Agreement.

**5. Term and Termination.** This Agreement shall commence as of the date specified in the Agreement and shall continue in full force and effect for the duration of the Term and shall automatically renew for additional Renewal Terms upon issuance of an invoice by CL. Customer may terminate this Agreement and notify CL of non-renewal with at least 90 days' written notice prior to the expiration of the then current Term or Renewal Term.

**6. Payments and Fees.** In consideration of the Product and Services provided by CL to Customer, Customer agrees to pay the Fee provided on the Invoice, plus any applicable shipping and handling fees, service fees, and applicable taxes. Customer shall remit payment within thirty (30) days of receipt of the Invoice. Purchases are nonrefundable and cannot be exchanged. If Customer fails to make payment, CL may, without prejudice to its other rights and remedies (1) charge interest on any unpaid amounts on a daily basis from the original due date at the rate of the lesser of 1.5% per month or the maximum amount permissible by law (2) suspend or terminate Customer's (and Customer's Authorized Users') use and/or access to the Product or both (1) and (2). Customer shall reimburse CL for all reasonable expenses CL incurs in collecting past due amounts, including wire transfer fees, collection agency fees, reasonable attorneys' fees, and court costs. CL may charge a fee for reinstatement of suspended or terminated service.

**7. Limited Liability.** Neither CL nor its suppliers, nor their respective directors, employees, officers, or representatives will be liable for any damages of any kind arising from the use of or inability to use the Product and Services, including but not limited to, any direct, indirect, incidental, special, consequential, exemplary, or punitive damages, or any lost profits, lost data, or loss of revenue. Without limited the foregoing, CL's total liability will at all times be limited to the Fees paid by Customer for use of the Product and Services at issue during the immediately preceding twelve (12) month period.

**8. Assignment.** This Agreement shall be binding upon and inure to the benefit of the parties hereto and their heirs, and legal representatives and permitted successors and assigns, provided that the Customer may not assign this Agreement.

**9. Confidentiality.** The Customer shall not use itself or reveal to any person or business, confidential or proprietary information or material gained as a result of performing its obligations herein, including without limitation, the terms and conditions of this Agreement, except as may be required by any court of competent jurisdiction, governmental agency, law or regulation (in such event, the Customer shall notify CL before disclosing this Agreement). Notwithstanding the foregoing, the terms and conditions of this Agreement may be revealed by Customer as part of the normal reporting or review procedure to the Customer's accountants, auditors and legal counsel, provided such accountants, auditors, and legal counsel agree to keep such information confidential.

**10. Miscellaneous.** This Agreement constitutes the entire agreement between the parties relating to the subject matter of this Agreement, and supersedes all other oral or written proposals, negotiations and other communications relating thereto. In the event of a conflict between the Agreement and any Invoice, the T&Cs, or other attachment hereto, the terms and conditions of the Agreement shall prevail. No amendment of this Agreement will be effective unless it is in writing and signed by both parties. No waiver of satisfaction of a condition or noncompliance with an obligation under this Agreement will be effective unless it is in writing and signed by the party granting the waiver, and no such waiver will constitute a waiver of satisfaction of any other condition or noncompliance with any other obligation. Any terms of this Agreement that contemplate compliance or otherwise by their nature should extend after the termination of this Agreement will remain in effect until fulfilled. Except for Customer's payment obligations, neither party shall be responsible for delays or failure of performance resulting from acts beyond the reasonable control of such party, including but not limited to, acts of God, acts of terrorism, strikes, walkouts, riots, acts of war, epidemics, failure of suppliers to perform, governmental regulations, power failure(s), earthquakes and other natural disasters. The parties may sign this Agreement in several counterparts, each of which will be deemed an original but all of which together will constitute one instrument. This Agreement will be considered signed when the signature of a party is delivered by scanned image (e.g. as a "portable document format" or "PDF" file) as an attachment to electronic mail (email), and any such scanned signature is to be treated in all respects as having the same effect as an original signature, except that either party may require the exchange of original signatures.



January 28, 2021

Agenda Item 8.1: Resolution Authorizing Hiring of Retired Annuitant

**TO:** Sacramento Public Library Authority Board

**FROM:** Rivkah K. Sass, Library Director

**RE:** Resolution Authorizing Hiring of Retired Annuitant

**SUGGESTED ACTION(S):**

Approve RES. 21-02 approving the appointment of Nina Biddle as a retired annuitant to update and centralize the Library's contracting and procurement process.

**BACKGROUND:**

In October 2020, staff conducted an ad-hoc internal assessment of the procurement processes at the Library. Procurement is decentralized at the Library, with each department Manager responsible for procurement for their respective area. While library procurement policies have been updated, and generally reflect the needs of the Library, decentralized procurement was found to be inefficient, causing lack of consistency, and additional work for staff. Procurement is a mission critical function for the Library, and not addressing this delinquency may cause disruption in normal business that may result in failure of business operations.

In order to address this issue, staff decided to centralize procurement functions at the Library. The Facilities team will be responsible for oversight of all contracts and will work with managers to make sure the procurement process is done in a timely and consistent manner. This change in process will:

- Avoid duplication or redundancy of efforts, lowering costs and standardizing processes.
- Allow more comprehensive inventory control and optimize inventory and documentation.
- Create greater efficiency based on a streamlined process; save staff time.
- Clearly define roles and responsibilities.
- Provide updated and accurate documentation of procedures.

Improved tracking of critical contract dates and budget status will prevent expired contracts, eliminate contract budget overruns and track amendments.

While the centralization of procurement functions is easy, it is only as good as its structural foundation. In order to create a solid foundation for centralized procurement, the following issues need to be resolved.

- Workflow
- Notification process
- Hierarchy of documents and related documents
- Naming conventions
- Tags
- Categories of Documents and taxonomy
- Record components
- Documentation of processes and procedures
- Training

Current Facilities staffing levels do not allow for the immediate development of the required centralized procurement structural foundation - extra help is required. In order to quickly and efficiently implement centralized procurement, staff propose bringing back Nina Biddle, a retired Sacramento Public Library employee from February to August 2021 to work as a retired annuitant and develop the foundation for centralized procurement at the Library. Ms. Biddle is able perform this work to address our critical procurement needs with no training, and can quickly and efficiently implement the identified tasks. Additionally, she will be able to provide training, documentation, mentorship, transfer knowledge to staff.

Because this is a critically needed position, staff is proposing to bring Ms. Biddle back prior to the completion of the 180-day waiting period normally required between a retired annuitant's retirement date and the date of appointment.

Consistent with CalPERS' requirements for retired annuitants, Ms. Biddle's work on this special project will be for a limited duration, currently estimated at approximately 6 months. Ms. Biddle's compensation will not be less than the minimum or exceed the maximum paid to other employees performing comparable duties, and her hours worked will not exceed 960 in a fiscal year. The fiscal impact for this process is estimated at \$18,000 and no budget adjustment is required.

**ATTACHMENT(S):**

[8.1 Authorize Hire of Retired Annuitant - RES 21-02.pdf](#)



# Sacramento Public Library Authority

## RESOLUTION 21-02

Adopted by the Governing Board of the Sacramento Public Library Authority on the date of:

January 28, 2021

### **APPROVE RESOLUTION 21-02 APPROVING THE APPOINTMENT OF NINA BIDDLE AS A RETIRED ANNUITANT TO UPDATE AND CENTRALIZE THE LIBRARY’S CONTRACTING AND PROCUREMENT PROCESS**

WHEREAS, the Library has determined that its procurement practices are inefficient, inconsistent, and lead to additional unnecessary work for staff;

WHEREAS, procurement is a mission critical function for the Library, and not addressing issues in the procurement processes may lead to disruptions in operations;

WHEREAS, extra help for a limited duration special project is required to update and centralize the Library’s contracting and procurement processes; and

WHEREAS, Ms. Biddle has the necessary knowledge of the Library’s needs and practices to fill this position without additional training and can quickly and efficiently complete this project.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BOARD OF THE SACRAMENTO PUBLIC LIBRARY AUTHORITY AS FOLLOWS:

1. The recitals above are true and correct.
2. The appointment of a retired annuitant to this position is necessary to complete this critically needed project sooner than 180 days from the date of Ms. Biddle’s retirement.
3. The Library Director is authorized to appoint Ms. Biddle consistent with applicable Government Code provisions and CalPERS restrictions on retired annuitants.

---

Sue Frost, Chair  
Eric Guerra, Vice Chair

ATTEST:  
Rivkah K. Sass, Secretary

By: \_\_\_\_\_  
Heather Wilde, Assistant Secretary

**ATTACHMENT(S):**  
None



January 28, 2021

Agenda Item 8.2: Election of Board Chair and Vice Chair 2021 (no written report)

**TO:** Sacramento Public Library Authority Board

**FROM:** Rivkah K. Sass, Library Director

**RE:** Election of Board Chair and Vice Chair 2021 (no written report)

**SUGGESTED ACTION(S):**

Nominate and elect Board Chair and Vice-Chair for the upcoming year.

**BACKGROUND:**

Attachment A provides a listing of the rotation of Chair and Vice-Chair of the Library Authority Board from 2000 - 2026.

**ATTACHMENT(S):**

[8.2 2021 Chair and Vice-Chair Rotation - 2000 - 2026 - ATT A.pdf](#)



In order to sure equity for all jurisdictions to serve as Chair and Vice-Chair of the Authority Board, resolution #11-20, establishing the Authority Board Chair and Vice Chair rotation schedule was approved on March 24, 2011. The rotation schedule below has been updated through 2026.

Exceptions to the rotation occurred in 2014 and 2016 to enable the Chair to be from the City of Sacramento and to lead efforts to pass ballot measures B and X, respectively.

YEAR	CHAIR	VICE CHAIR
2000	Robbie Waters (Sacramento)	Muriel Johnson (County)
2001	Muriel Johnson (County)	Jimmie Yee (Sacramento)
2002	Jimmie Yee (Sacramento)	Roger Niello (County)
2003	Roger Niello (County)	Bonnie Pannell (Sacramento)
2004	Bonnie Pannell (Sacramento)	Don Nottoli (County)
2005	Don Nottoli (County)	Ray Tretheway (Sacramento)
2006	Ray Tretheway (Sacramento)	Roger Dickinson (County)
2007	Roger Dickinson (County)	Robbie Waters (Sacramento)
2008	Robbie Waters (Sacramento)	Linda Budge (County/City)
2009	Linda Budge (County/City)	Roberta MacGlashan (County)
2010	Roberta MacGlashan (County)	Sandy Sheedy (Sacramento)
2011	Sandy Sheedy (Sacramento)	Sophia Scherman (County/City)
2012	Sophia Scherman (County/City)	Phil Serna (County)
2013	Phil Serna (County)	Angelique Ashby (Sacramento)
2014	Angelique Ashby (Sacramento)	Jeff Slowey (County/City)
2015	Jeff Slowey (County/City)	Rick Jennings II (Sacramento)
2016	Rick Jennings II (Sacramento)	Don Nottoli (County)
2017	Don Nottoli (County)	Jay Schenirer (Sacramento)
2018	Jay Schenirer (Sacramento)	Darren Suen (County/City)
2019	Darren Suen (City/County)	Sue Frost (County)
2020	Sue Frost (County)	Eric Guerra (Sacramento)
2021	Eric Guerra (Sacramento)	County/City
2022	County/City	County
2023	County	City of Sacramento
2024	City of Sacramento	County/City
2025	County/City	County
2026	County	City of Sacramento