

Library Districts

AS LOCAL GOVERNMENTS

JANUARY 2024



Planned Topics

January 2024 **Library Districts as Local Governments**

August 2024 Library Districts as Employers

January 2025 Watching the Legislative Session

August 2025 Strategic Planning


January 2026 Policies

LOCAL GOVERNMENT CODE 326


Allows communities to vote to spend a percentage of sales tax dollars

to establish, equip, and maintain one or more public libraries for the dissemination of general information relating to the arts, sciences, and literature.

- **5 elected Board members** serve staggered 2-year terms.
- May hire a **director** to administer library operations according to Board policy.



Libraries do so much more than this, but this minimalist mandate reminds us of the core mission expected by the communities who voted for us.



We've been entrusted with public funds and a significant community asset. It's our job to protect the library and ensure that it thrives.

PROTECTING THE LIBRARY & LIBRARY DISTRICTS

Legal compliance

Follow the law • be transparent

Staffing

Retain good staff • teach decision making • address morale issues • follow employment law and best practices

Library basics

Good service, collections & tech • beware of mission creep

Policies

Align practices with mission • create framework/limits for staff decision making • friendly & equitable

Community Relationships

Frequent communication • avoid the perception of having an agenda • meet needs • be welcoming

Stewardship

Spend judiciously • strong accounting and anti-fraud practices • save for future needs

Strategic Planning

Know your community • understand library use patterns • investigate potential trends • prepare for change

LOCAL GOVERNMENT CODE 326

- **5 elected Board members** serve staggered 2-year terms. Must call an election every year. May cancel unopposed elections.
- Must elect a President, VP and Secretary.
- May create bylaws.
- May fill **vacancies** between elections by appointment.
- May hire a **director** to administer library operations according to Board policy.
- Must **invest tax revenues according to PFIA**; non-tax revenues in separate according to policy.
- Must conduct **financial audit** in first 120 days of fiscal year.
- May use tax revenues as collateral.
- May charge fines and fees, and may ban people for breaking established rules.
- The name of the district must be geographic.

ADMINISTRATIVE CALENDAR

Required:

- Board meetings (usually monthly)
- **Quarterly investment report**
- TSLAC - **annual rept**, Texshare stats, ILL
- **Debt/transparency rept** to Comptroller 4/1
- Annual **audit** by 120th day
- **Investment policy** review/approval annual
- **PFIA training** 10 hrs/ 2yrs Inv. Officer
- **Budget** before next fiscal year starts
- **Elections** - multiple deadlines
- **Cybersecurity Training** for staff & Board
- **Continuing Ed** for Director - 10 hrs/yr
- **Annual reviews** or progress checkins

Other:

- eRate filing annually
- Other staff trainings - records retention, NVRA, anti-harassment, safety, policies
- Update labor posters
- Update NVRA plan as needed
- Collection inventory
- Update job descriptions & policies
- Facilities maintenance schedule
- Staff anniversaries
- District meetings/ TLA conference
- Contract renewals

ELECTIONS

Call an election every year.

- Post **Notice of Deadline to File an Application** for a Place on the Ballot.
- Board members with **expired terms** must re-run.
- Board passes **Order of General Election**.

If candidates opposed: Contract with county (recommended), follow rules for ballot drawing; post **Notice of Election**.

If unopposed: Prepare **Certificate of Unopposed Candidate** and pass **Order of Cancellation**.

Post election/ canvassing period:

- Swear in Board members.
- Elect officers.
- Update election register.
- Update candidacy info on website.

Vacancies: Filled by appointment per Board policy.

NATIONAL VOTER REGISTRATION ACT (NVRA)

Public libraries are voter registration agencies. (some conditions apply)

- **Offer voter registration card** when someone gets a new library card or renews their library card in person.
- **Assist with filling it in** as needed.
- If someone hands us their completed VR card, we must deliver it by hand to the county registrar within 5 days.
- File an **NVRA implementation plan** with the Secretary of State and update any time there is a change.
- **Train all staff** on requirements of the law every year.

OPEN MEETINGS

Training required within first 90 days of service for Board and director. Attorney General website has training AND very **helpful handbook**.

Board meetings

- **Open to the public**; follow rules for executive sessions.
- **Agenda posted** 72 hours in advance; **must be specific enough** for members of the public to understand what will be discussed.
- Agenda item for **citizen's communication** required (adopt rules).
- **Minutes** record date, time, location, attendees, and any action (vote) taken. Board approves minutes at a subsequent meeting.
- **If you record a meeting**, that is considered the official record.
- Follow **quorum rules**; avoid walking quorum; it takes 3 affirmative votes to pass a motion.

OPEN RECORDS - PUBLIC INFORMATION ACT

Training required within first 90 days of service for Board and director. Attorney General website has training AND very **helpful handbook**.

PIA requests

- Requests should say they are **PIA or FOIA** requests.
- **Respond in a timely manner**; communicate if there are delays or you are uncertain what is being asked for.
- We don't have to create new information but **supply information that is already available** in our records.
- **Refer to the handbook** if you are unsure or ask your attorney.
- Post the **PIA poster** where people are most likely to come with a request.
- On website, provide **a way to contact the Board** and **a way to file a Freedom of Information Act (FOIA) request**.

RECORDS RETENTION

Library districts have lots of files, and some (mostly admin and HR) need to be **retained and labeled according to schedules** provided by TSLAC.

- **Designations** include PERMANENT, US (until superseded), # YRS, and EOY +# (end of year plus 5 more). Also AV (administratively valuable) and DC (duplicate copy). You can get rid of files that have no retention.
- You can **label folders** instead of individual files.
- **Keep files that may be pertinent** to any litigation, audit, claim, PIA or other action until resolved.
- It's best to **choose either digital or paper** and be consistent.

Examples: board meeting records, public comment forms, incident reports, complaints, contracts, policy discussions, some correspondence, real estate records, legal opinions, PIA requests, publications, HR and payroll records, surveys, audit, banking, budgets, financial reports, grants, accounting, bids, POs, construction, elections and more

PUBLIC FUNDS INVESTMENT ACT

- Identifies **allowable investments** and requires an investment policy.
- Board must appoint an **Investment Officer** who does required PFIA training: 10 hours in first year, then 10hrs/2yrs.
- Itemizes requirements for **quarterly investment report.**

Policy must

- emphasize safety of principal and liquidity,
- address diversification, yield, and maturity,
- set limits for types of investments,
- address investment management, and
- be reviewed annually.

BUDGETS - GUIDELINES

- Approved **before the start of the fiscal year.**
- Shows **3 years of history.**
- **Staff expense generally 65%** or less of budget; protects against layoffs.
- Do **comps study** for salaries; **consider a \$ + % approach** to raises to raise base salaries and to address inflationary concerns.
- **Major expenditures** may be saved to later in the year in tight years.
- **Facilities** become a larger part of the budget over time (age).
- **Budget for savings** (net income).
- A **budget narrative** is a helpful guide and record of decision making.
- Must have **line items** for newspaper notices and legislative consulting/lobbying.

SALES TAX

Revenues

- Direct deposit on second Friday of the month (usually).
- If a portion of a library district is annexed by a city, it becomes a “combined” area and the district will still receive its share of revenues.
- Smaller Internet sellers may elect to pay sales tax at a local rate set by the State. These payments are combined by the Comptroller.

Remitting Sales Tax

- When libraries sell books, coffee, prepared foods, copies, T-shirts or similar, or delivery services, they are required to collect and remit sales tax to the Comptroller.
- Post notice that sales tax is being collected if sales tax is included in the price. Provide a receipt showing sales tax if requested.

PURCHASING & CONTRACTS

- See the State of Texas Procurement and Contract Management Guide.
- Currently, goods under \$10,000 do not need bidding, and up to \$25,000 only require an informal bid process.
- The State pre-bids many items, including contracts with book jobbers.
- “Best value standard” dictates that the lowest bid may not be the best option. Document reasons for making an alternate selection.
- Certain professional services and one-time purchases do not require bidding.
- Construction contracts require an RFP or RFQ process. A lawyer is recommended for this and for land purchases.

OTHER LAWS TO KNOW

- Penal Code - camping ban, obscenity, weapons
- ADA, Service Animals
- Conflict of interest
- Nepotism (applies to whomever has final hiring authority)
- Prohibited technology - the TikTok law
- Raffles
- Removal from office (only for certain criminal offenses)
- Laws governing copyright, library records, free speech
-



No one minds giving the library nickels. 0.5% sales tax is a nickel for every \$10 spent on taxable goods & services.




Joan Frye Williams: Policies and rules cover most situations.
Treat exceptions like exceptions.




But that could cause problems... **It's not a problem, until it's a problem.**




Pull, don't push. When we push, people's walls go up and our ability to influence the desired outcome is negatively impacted.



A budget line for innovation allows the library to take advantage of unanticipated opportunities.



Train new Board members. Cover topics in this presentation, provide copies of bylaws, policies, financials, budget, strategic plan, history.



Consider using a tax consultant. They report revenues by sector, provide detail on major payers, help with budget forecasting, go after delinquent payers for back taxes.



Dick Brown: ***How will it look in the paper?***

Top 5 To-Dos

1. Start building your Administrative Calendar.
2. Order an election this year.
3. Do Open Meeting and Open Records training.
4. Appoint an Investment Officer and have them do 10 hours of PFIA training.
5. Explore the library districts website.

<https://westbanklibrary.com/library-districts/>