Audit of
Office of Library Services

Division of Inspector General
Neil Kelly, Clerk of the Circuit and County Courts
Audit Report
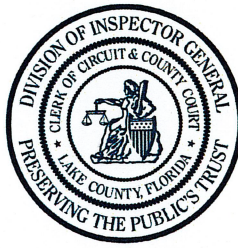
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June 22, 2018

Board of County Commissioners

We conducted our audit of the Board of County Commissioners' Office of Library Services, as scheduled per the Clerk's Annual Inspector General Audit Plan.

We appreciate the cooperation and assistance provided by the Office of Library Services and also other local county and governmental entities contacted during the course of our audit.

Respectfully submitted,

Sheena Patel
Inspector General Manager

cc: The Honorable Neil Kelly, Clerk of Circuit & County Courts
     Jeff Cole, County Manager
     Bill Veach, Deputy County Manager
     Boyd Bruce, Interim Director, Office of Library Services

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INTRODUCTION

Scope and Methodology

We conducted an audit of the Board of County Commissioners' Office of Library Services. Our audit objectives were:

1. To determine whether adequate controls are in place to safeguard assets and information.
2. To determine whether Library Services is in compliance with agreements, regulations, long-range plan, and best practices.
3. To determine whether integrity and accuracy of library system reporting is maintained.
4. To determine whether Library Services' practices are adequate and appropriately address patron needs.

To determine whether adequate controls are in place to safeguard assets and information, we interviewed staff, reviewed policies and procedures, tested insurance liability coverage, tested for appropriate approval and insurance coverage over reciprocal borrowing agreements, inspected library buildings for adherence to fire and safety codes, reviewed physical security procedures, tested technology controls on computers, reviewed inventory maintenance (including weeding) procedures, reviewed arrangements with charitable third parties, and tested a sample of donations.

To determine whether Library Services is in compliance with agreements, regulations, long-range plan, and best practices, we interviewed staff, reviewed policies and procedures, tested interlocal agreement requirements, tested reasonableness and approval of the long-range plan, recalculated budget allocations, reviewed internet safety program compliance, tested for compliance with reciprocal borrowing agreements, simulated the retrieval of confidential patron information, and tested a sample of volunteers for the performance of background checks.

To determine whether integrity and accuracy of library system reporting is maintained, we reviewed data collection processes, tested a sample of collection items for cataloging accuracy, tested and reviewed user access to the library website and management systems, tested library collection circulation data to identify potential trends or abnormalities based on time, location, user activity, cataloging detail, etc., and evaluated controls over third party-provided data.

To determine whether Library Services' practices are adequate and appropriately address patron needs, we reviewed subscription service usage, customer comments, and library calendar events.

Our audit included such tests of records and other auditing procedures as we considered necessary in the circumstances. The audit period was January 1, 2016 through December 31, 2017. However, transactions, processes, and situations reviewed were not limited by the audit period.

Overall Conclusion

We conclude that, except for opportunities for improvement as noted in the report, the Office of Library Services has adequate controls in place to safeguard assets and information. We conclude that Library Services is in compliance with existing policies, procedures and agreements. We further conclude the integrity and accuracy of library system reporting is maintained. We conclude that Library Services' practices are adequate and appropriately address patron needs. Opportunities for Improvement are included in this report.

Background

The Office of Library Services consists of the Lake County Library System administrative offices and its six branch libraries. The Lake County Library System is a cooperative of these six branch libraries and nine municipal (member) libraries, joined by interlocal agreements within the County to provide access to a full range of library services throughout Lake County. The nine municipal libraries include:

- Fruitland Park Library
- Helen Lehmann Memorial Library (Montverde)
- Lady Lake Library
- Leesburg Library
- Marianne Beck Memorial Library (Howey-in-the-Hills)
- Minneola Schoolhouse Library
- Tavares Public Library
- Umatilla Public Library
- W.T. Bland Public Library (Mount Dora)

The Office of Library Services provides the libraries with a fully integrated library automation system, technical support, centralized cataloging, a courier service, networked access to the Internet and web based reference products, a website, a books-by-mail program, grant writing and marketing assistance, adult and youth program coordination, and a countywide literacy program.

While the Office of Library Services manages the library management systems, member libraries have ownership of other assets including the library buildings, collection items, cash, etc. Collection items available at libraries include books, eBooks, media, language-learning software, videogames, etc.

Library services are available free to Lake County residents at all locations throughout the County and through the books-by-mail service. The Lake County Library System also has agreements with Lake-Sumter Community College and the library systems in Marion, Seminole, and Volusia counties that permit cross-utilization by patrons of Lake County Library System and patrons of the reciprocating organizations.

OPPORTUNITIES FOR IMPROVEMENT

Our audit disclosed certain policies, procedures, and practices that could be improved. Our audit was neither designed nor intended to be a detailed study of every relevant system, procedure, or transaction. Accordingly, the Opportunities for Improvement presented in this report may not be all-inclusive of areas where improvement may be needed.

1. Management Should Establish A Policy to Ensure Confidentiality of Patron Records.

There is no policy in place to provide library staff guidance on acceptable forms of identification, or the procedures staff members should perform when requested to distribute patron information. We sampled four libraries of which two libraries provided confidential information without appropriate validation of identification.

Section C.1.a of the Lake County Policy number LCC-9, Lake County Library System Confidentiality of Library Records, states that "circulation information may only be disclosed to the library patron named in the records." Additionally, Section I.1 within the American Library Association's (ALA) Privacy and Confidentiality guidelines states, "Confidentiality exists when a library is in possession of personally identifiable information about users and keeps that information private on their behalf. Confidentiality is a library's responsibility. This responsibility is assumed when library procedures create records such as closed-stack call slips, computer sign-up sheets, registration for equipment or facilities, circulation records, what websites were visited, reserve notices, or research notes."

Infringing on a patron's rights to privacy and confidentiality can affect the library system's credibility and the County can be held liable for improper use and dissemination of information that may occur. Information gained for personal use can be used for inappropriate or unlawful purposes, and can lead to serious consequences to patrons and staff responsible for dissemination of information.

We Recommend management establish a policy to ensure confidentiality of patron records via appropriate validation of the requesting party's identity. The policy should include details as to appropriate forms of identification and information that may be released.

Management Response:
Partially concur. We would like to see the recommendation expanded to include the ability of a card holder to have another person noted in their registration designated to be able to use their card. There are many instances where family members may be critical for the delivery and/or pick up of items on reserve for the card holder who may be infirmed or otherwise incapable of presenting their own identification; this would help remove any hindrance to access.

2. Management Should Establish A Policy To Periodically Review And Update Existing Policies.

The Lake County Division of Library Services has documented policies and procedures in place for several processes. According to the American Library Association (ALA) Guidelines for the Development and Implementation of Policies, Regulation and Procedures number 12, policies "must be reviewed regularly by the library's governing authority and by its legal counsel."

There is no recurring review process in place to ensure policies and procedures are accurate and up to date. Further, there is no documented process in place to ensure updates are distributed to and acknowledged by division staff.

Written policies and procedures are an integral piece of each business process. The objective of policies and procedures are to document an organization's policy for operations and the procedures necessary to fulfill that policy. Policies and procedures provide guidance in achieving the organization's objectives, help reduce misunderstanding or inconsistencies in application of the policy, and increase distribution of pertinent information to those involved in the process.

We Recommend management establish a policy for periodic review and update of existing policies and procedures. Evidence of staff acknowledgement of existing policies should be maintained (for example, via hardcopy staff signature).

Management Response:
Concur.

3. Management Should Establish Written Procedures For Managing And Responding To Customer Feedback.

Customer feedback is received and responded to via on-site library personnel, or by phone or email. There are no guidelines which establish timeliness of addressing comments, or documentation of the comment and resolution. As a result, management may not be aware of comments from the public, or comments from patrons who wish to remain anonymous. Additionally, we were unable to analyze past customer feedback to identify any trends or opportunities. The absence of a procedure to manage and resolve customer feedback can limit library enhancement opportunities.

Prior to the 2017 development of the long-range plan for fiscal years 2018 through 2023, Library Services' management identified strengths and weaknesses of Library Services via community meetings and surveys issued. Library Services should incorporate an aspect of timely comment response and periodic analysis of ongoing feedback.

In addition, establishing written procedures aids in ensuring continuity and consistency of business operations.

We Recommend management establish written procedures over the management of customer feedback. Key guidelines to establish should include an outline of how to effectively solicit patron feedback, and how to retain the comment and resolution data, including periodic and timely review of results to enhance ongoing library services.

Management Response:
Concur.

4. Management Should Establish Written Procedures Which Outline The Performance Of Inventory Maintenance Activities At Branch Libraries.

Management does not maintain a formal, written policy defining a periodic library inventory procedure at branch libraries. Section VII, Collection Maintenance, of the Lake County Collection Development Policy states, "To maintain vital, useful, and up-to-date collections, Lake County Library System member and branch libraries must review existing collections on an on-going basis. The collections are analyzed against the changing needs and interests of the community, the availability of similar materials at other libraries, and the availability of space within the library." This policy does not comment on the need to reconcile existing collection items against library system software reporting.

The absence of a written inventory procedure, including weeding, can lead to inadequate safeguards of assets, subsequent County liability for those assets, and inconsistency in the inventory process.

Written procedures are necessary to ensure consistency among inventory maintenance, aid in the adequate safeguarding of assets, and ensure continuity of operations in the event of the loss of key personnel.

We Recommend management establish written inventory procedures for branch libraries, which can be used as guidelines and applied across the library system.

Management Response:
Concur.

5. Management Should Establish Written Procedures Over The Approval of Library Events Posted To The Library Website.

Management currently uses the Evanced software to manage the library calendar posted on the Lake County Library website. Some employees have access to post events on the website. There are no library procedures which require secondary approval for event postings. In addition, the Evanced system is not configured to require secondary approval.

Access to post directly on the library website without prior written approval may lead to inappropriate posting activity and thus potential reputational risk to the County. Additionally, the absence of

written posting approval requirements can lead to inconsistent event posting procedures. Further, certain posting procedures may be inadvertently missed by existing or new staff members.

Written procedures are necessary to ensure consistency among process application, and to ensure continuity of operations in the event of the loss of key personnel.

We Recommend management establish an automated workflow in Evanced to require management approval for all posted events. In the event that an automated workflow is not possible, management should establish written procedures over the approval process for library events posted through the Evanced software, which can be used as guidelines and applied across the library system.

Management Response:
Partially concur. The limitations in staffing, and of the event calendar software, may limit a strict "checks and balances" methodology for posting events given the diverse nature of the library's participating in posting events to the website calendar.

6. Management Should Establish A Policy To Ensure All Library Collection Items Are Centrally Cataloged.

Selected interlocal agreements state, "The COUNTY shall provide the following centralized services to the MUNICIPALITY's participating library: Centralized cataloging of library materials and maintenance of the bibliographic database." Additionally, "The MUNICIPALITY shall participate in the centralized cataloging program to ensure the integrity of the combined bibliographic database."

Library Services' management has a centralized cataloging function; however, they do not have a related policy for enforcing compliance with the centralized cataloging requirements of the interlocal agreements or ensuring consistent cataloging. There are several accepted cataloging standards including Resource Description and Access (RDA) and Anglo-American Cataloguing Rules (2nd Revised Edition) (AACR2). Additionally, access to perform updates to cataloging within the library system is currently available to all library staff, who are untrained in the proper cataloging protocol. The untrained staff members utilize their access to catalog additions to the collection.

According to the American Library Association, Value of Cataloging Librarians, centralized cataloging "provides authority control on all types of headings added to records, including authors' names, series titles and subject terms. This provides the basis for reliably consistent search results and collocates the terms, saving the time for users." Additionally, centralized cataloging ensures there is uniformity in the cataloging of library media and that all pertinent information is included, which helps prevent unreliable and inconsistent search results.

We Recommend management establish a policy to ensure all library collection items, including those of member libraries, be centrally cataloged. Additionally, guidelines should indicate which established library standards for cataloging should be followed to ensure consistency of application across the collection.

Management Response:
Do not concur. As recognized in the "Lake County Library System Long Range Plan of Services 2018-2023" page 10, the consultant proposes the "outsourcing of technical services to a major vendor." Outsourcing cataloging is considered by the industry as a whole a best practice. Drop shipping shelf-ready materials directly to the library location reduces the process to less than 24 hours from receiving to shelf.

7. Management Should Establish A Policy To Increase The Efficiency And Timeliness Of Collection Catalog Data Verification.

Library materials are ordered from third party vendors who subsequently send an invoice to the Online Computer Library Center (OCLC) to search the system for current cataloging details. These cataloging details are provided to the centralized cataloging team for "grooming." Grooming is the verification of the accuracy of uploaded data and necessary editing to align with Lake County Library System policies. In some instances, on-site library staff may "fast add" collection items that are physically available on shelves, but not entered in the library management software, by directly entering cataloging details. Although collection items added in this manner should be provided to the centralized cataloging team for data verification against cataloging standards, they may be re-shelved on accident. If an item is re-shelved and has inaccurate catalog details, it may be unable to be searched properly by patrons. The centralized cataloging team had a backlog of 12,838 known records as of December 31, 2017, that required validation and potential editing, which is approximately 3% of the overall collection (418,000 items).

Imported data should be verified by timely manual review. As a result of employee workload limitations, the current "grooming" backlog extends to 2016.

We Recommend management consider a policy to increase efficiency and timelines of collection catalog data verification. Consideration should be made related to the potential effects on cost, cataloging accuracy, and library impact.

Management Response:
Partially concur. We agree that verification of records is important. However, material records are transitory within the database, and as noted there are many thousands of records to review individually. Without additional staff it would be impractical to attempt to reach the level of efficiency of this recommendation.

8. Management Should Establish A Policy To Review That System User Access Is Appropriate For All Library Systems On A Periodic Basis.

On-site Library Services' supervisors notify the library system administrator of any changes in job status that require an update to user access. If the library system administrator is not notified, user access remains unchanged. Current user access to library systems is not reviewed on a periodic basis.

User access should be reviewed periodically to ensure systems with confidential information (i.e., the library services system) are not accessible by inappropriate individuals. For example, if Library Services' management is not made aware of an employee termination, the employee could retain access to potentially confidential information.

We Recommend management establish a policy to review that user access is appropriate for all library systems on a periodic basis.

Management Response:
Concur.

9. Management Should Follow Funding Policy Guidelines To Ensure Appropriate Documentation Is Retained For Policy Deviations.

Libraries apply for impact fee funding to perform necessary improvements. Library management reviews funding applications and ranks which projects are recommended for funding. After reviewing the library project rankings spreadsheet to determine funding applications for 2017, we identified one instance among six applications where a library with a higher project ranking was denied funding over the allocation of funding to a lower ranked project. Although a March 2018 library director's meeting was scheduled, and the 2017 fiscal year impact fee approval was stated on the meeting agenda, management did not explicitly document meeting minutes or the rationale for the deviation from the funding recommendations.

If a decision is not recorded within the meeting minutes, there is no recorded justification for the funding allocated to each entity.

We Recommend management follow funding policy guidelines to ensure appropriate documentation is retained, which may include rationale for deviations from policy.

Management Response:
Concur.

10. Management Should Document Within The Policy Guidelines The Necessity For Parties To Withdraw From The Decision Making Process In The Event Of A Potential Conflict Of Interest.

Libraries apply for impact fee funding to perform necessary improvements. Library management reviews funding applications and ranks which projects are recommended for funding. Lake County Policy number LCC-63, Library Impact Fee Application and Distribution Process, details the procedures for the impact fee application and distribution process. Impact fee allocations for library service projects are approved by the Library Advisory Board. As part of this process, board members with a potential conflict of interest are encouraged to withdraw their vote from the related process;

however, there are no documented policies related to this practice within LCC-63. We did not identify any instances in which a board member with a potential conflict recused themselves from voting.

Board members with a potential conflict of interest should opt out of the decision making process. This should be documented to ensure acknowledgement and consistent application.

If individuals with a conflict of interest participate in decision making procedures, the result may not be made with an objective viewpoint, and the funds may be improperly distributed.

We Recommend management document within the LCC-63 policy guidelines the necessity for parties to withdraw from the decision making process in the event of a potential conflict of interest.

Management Response:
Concur.

11. Complex Password Parameters Should Be Enforced On KOHA.

Review procedures over the Lake County Library's library management system, KOHA, determined that complex password parameters are not in place for staff members' user accounts.

According to the American Library Association (ALA) Questions and Answers on Privacy and Confidentiality section II.10, "the library should also invest in appropriate technology to protect the security of any PII (Personally Identifiable Information) while it is in the library's custody, and should ensure that aggregate data has been stripped of PII." Section I.1 states, "confidentiality exists when a library is in possession of personally identifiable information about users and keeps that information private on their behalf. Confidentiality is a library's responsibility." Additionally, Lake County Information Technology Password Policy ITP-32-1 states that passwords must be a minimum of eight characters and implement at least three of four complexity requirements (lowercase alphabetic characters, uppercase alphabetic characters, special symbols, and numbers).

If staff passwords are weak, improper use and dissemination of confidential information may occur. Infringing on a patron's rights to privacy and confidentiality can affect the library system's credibility and the County could be held liable for improper use and dissemination of information that may occur. Information gained for personal use can be used for inappropriate or unlawful purposes and can lead to serious consequences to patrons and staff responsible for dissemination of information.

We Recommend management enforce complex password parameters, as described in Lake County Information Technology Password Policy ITP-32-1, for staff library accounts in KOHA, in order to assist in safeguarding personally identifiable information (PII) within patron accounts.

Management Response:
Concur.

12. Management Should Appoint And Train A Backup System Administrator For The Library System.

The Support Services Manager is the only administrator with permissions to update user access within the library system. In the event that user access needs to be updated while the library system administrator is not in the office, there is no backup system administrator.

An alternative administrator should be available in the event the primary administrator is unavailable to ensure operational efficiency and timeliness.

We Recommend management appoint and train a backup system administrator to update user access in the library system.

Management Response:
Concur.

13. Management Should Establish A Means Of Formal Oversight Over The Activities And Partnership With The "Friends Of The Library" Groups.

Each library within the Lake County Library system has an association with third party "Friends of the Library" groups. The mission of these third party groups are to:

- Gather together people interested in libraries
- Focus public attention on the library
- Stimulate the use of the library's resources and services
- Receive and encourage gifts, endowments, and bequests to the library
- Support and cooperate with the library in developing library services and facilities for the communities

The Friends of the Library groups are advertised on the Lake County Library System website as library services. Information on the library system website for the Friends groups also includes relevant contact information, brochures, and event activity. According to the Friends of the Library brochures, members are required to pay a membership fee to join the groups. Members of the groups may also volunteer at library events and programs, perform repairs to library buildings, participate in fundraising events, and provide food for library staff meetings in addition to other activities.

We did not identify any written agreements between Lake County and the Friends of the Library groups. Agreements should include provisions over financial management and oversight, approved activities, and volunteer requirements to protect the interest of the County and its residents.

Without an agreement in place, the County may be exposed to financial and reputational risk associated with recommending the use of the Friends of the Library group to residents. In addition,

increased safety risk associated with the inadequate background check procedures over personnel conducting community activities within the library may also be present.

We Recommend formal agreements be maintained between each library and their associated Friends of the Library group. These agreements should include provisions over financial management and oversight, approved activities, and volunteer requirements.

Management Response:
Do not concur. The Office of Library Services will remove the Friends of Library webpage located at https://mylakelibrary.org/services/friends_of_the_library.aspx. The last paragraph of Lake County Policy LCC-11 (available via the county's website) authorizes the Lake County Library System to give withdrawn materials to Friends of the Library organizations for sale to benefit the Lake County Library System. That is the extent of any ongoing relationship between the Lake County Library System and Friends of the Library organizations outside of regular library services offered to all patrons. Due to the limited nature of this relationship, the Office of Library Services does not recognize the need for anything further to be reduced to writing. Moreover, the Office of Library Services does not anticipate any Friends of the Library organizations agreeing to financial oversight. Lastly, it is the practice of the Office of Library Services, in coordination with the Office of Human Resources and Risk Management, to perform background screenings on all County volunteers, regardless of other organizations that the volunteer may be involved with.