

CLEVELAND PUBLIC LIBRARY
Finance Committee Meeting
February 13, 2018
Trustees Room Louis Stokes Wing
12:00 Noon

Present: Mr. Seifullah, Mr. Corrigan, Ms. Washington, Mr. Parker

Absent: Ms. Butts, Ms. Rodriguez, Mr. Hairston

Mr. Seifullah called the Finance Committee Meeting to order at 12:04 p.m.

Oath of Office

Mr. Corrigan administered the Oath of Office to Ms. Washington as she was elected to serve another term as Vice President of the Cleveland Public Library Board of Trustees at the 2018 Organizational Meeting.

Presentation: Nadia Del Valle, National Program Director, Say Yes to Education, Inc.

Before Director Thomas introduced Nadia Del Valle, National Program Director, Say Yes to Education, Inc., he stated that Say Yes would play a large role in the future of education in the City of Cleveland.

Ms. Del Valle, National Program Director, Say Yes to Education, Inc., stated that her role is to work with cities like Cleveland by helping to facilitate pre-launch activities before they are officially announced as a Say Yes city.

After sharing information about her past experience, background and current role with the Say Yes National Chapter, Ms. Del Valle gave a detailed history of Say Yes. Say Yes is a nonprofit based out of New York City and was founded by George Weiss. Mr. Weiss began his philanthropic work with his fraternity brothers as they embraced a small population of troubled young men and providing them with wrap around assistance that would support them through high school and graduation. Thirty years later, Say Yes has since serviced 130,000 students in different communities.

Ms. Del Valle explained that Say Yes to Education is an innovative national nonprofit that understands that college scholarships are only helpful if students are well prepared throughout their educational path. Say Yes invests \$15 million in start-up capital for a new chapter to be distributed as key milestones are met over five to six years. Providing expertise based on its three decades of operation, Say Yes works with the local community as it creates a collaborative

and sustainable infrastructure for its students, which may include in-school family support specialists, after-school enrichment, mental health clinics, summer academies and more.

The local community also raises the money for its scholarship fund, while Say Yes to Education offers students access to potential tuition assistance from over 100 private colleges and universities through the Say Yes to Education National Higher Education Compact.

Ms. Del Valle shared information about the Cohort Strategy implemented in Philadelphia, Hartford, Cambridge and Harlem; the Community-wide Strategy implemented in Syracuse, Buffalo and Guilford County; and the National Strategy in the Weiss Institute.

Ms. Del Valle gave an overview of the Say Yes Theory of Action that included \$15 million Catalytic Investment, tuition scholarships, strategic data approach (pathway metrics), collaborative governance, comprehensive supports and post-secondary readiness and completion.

The presentation continued with differentiating the Say Yes strategy by comparing traditional approaches to the Say Yes approach.

Community partners include corporate leaders, families, city government, county government, philanthropy, professional associations, school district, higher education, community based organizations, and religious leaders.

Ms. Del Valle's presentation continued with benchmarking the pathway to postsecondary success; strategic data approach; comprehensive supports; and Say Yes track record.

Ms. Del Valle acknowledged that there has been a lot of work on trying to figure out how the community comes together to support CMSD. Say Yes does not intend to disrupt the community but identify ways to be supportive of the process.

Ms. Del Valle stated that the Say Yes opportunity will help accelerate the collaborative work of the Cleveland Plan for Transforming Schools, Invest in Children, Higher education Compact of Greater Cleveland, PRE4CLE and other programs to foster dramatic achievement by our students.

Ms. Del Valle noted that half of Cleveland's children live in poverty and 66% of its residents are functionally illiterate. Only 22% of residents have an associate's or bachelor's degree. Two-thirds of Ohio jobs in 2020 will require post-secondary credentials. Increasing educational attainment is critical to Northeast Ohio's long-term revitalization because it leads to (1) higher employment; (2) larger tax base; (3) reduced crime; and (4) residential growth.

Ms. Del Valle gave an overview of Cleveland's Path to Say Yes and noted the following timeline:

- Cleveland's official Say Yes path began 2+ years ago (rooted in 8 years of local research) with an exploratory group making the case that Cleveland would be a good fit for Say Yes to Education. Say Yes collaboration offers Cleveland the opportunity to build on

ongoing success of the Cleveland Plan & our strong history of collaboration and innovation in public, philanthropic, and nonprofit sectors

- May 2017: Say Yes to Education announces Cleveland met initial criteria to enter pre-launch phase
- Summer/Fall 2017: Planning Committee formed; some task forces and working groups begin
- 2018: Continue work to achieve goals set by Say Yes to Education for final consideration

Ms. Del Valle stated that before Say Yes to education decides on Cleveland's application in 2018, the following work should be accomplished:

- Identify tuition scholarship criteria
- Set total scholarship fund amount
- Raise at least 60% of the scholarship fund
- Secure memorandums of understanding between Say yes and local entities
- Execute data-sharing agreements
- Map the inventory of academic and non-academic support services in Cleveland Public Library Inventory philanthropic support in Cleveland
- Educate and rally the community around Say Yes for Cleveland

Ms. Del Valle stated that the following are convening partners: City of Cleveland, Cuyahoga County, Cleveland Metropolitan School District, Cleveland Foundation, College Now Greater Cleveland, and United Way of Greater Cleveland.

Finally, Ms. Del Valle gave information on the newsletter, website, social media (Facebook and Twitter); as well as ways to help educate the community.

Director Thomas asked Ms. Del Valle to explain the role of Cleveland Public Library and how other libraries in other cities fit into Say Yes.

Ms. Del Valle stated that libraries in other communities usually are community based partners in secondary stages and are useful to bring programs into their facilities. However, Cleveland Public Library is unique as discussion continues as the Library is an initial convening partner that will assist in decision making moving forward. The Library will go through some of the same processes as the city, county school district to review (1) how to utilize some of the programs and services; (2) how to sustain those programs and services; (3) provide specific data points to CMSD students. This opportunity includes the Library as a key stakeholder and not an "after the fact" program provider.

Ms. Washington asked Ms. Del Valle if preliminary data or initial findings available on college graduation rates for students from 2008.

Ms. Del Valle stated that there is data to support that students are graduating on time and often in Syracuse which is the first city wide chapter. Students who have participated in the Say Yes program have a higher rate of completion at 4 year schools than students who were prior to Say Yes. There is a fact sheet with data points available that can be provided upon request.

Ms. Washington stated that this is a significant financial investment for communities to assume and asked if there were a breakdown in investment (ie., philanthropic and business) and how communities sustain these investments.

In response, Ms. Del Valle stated that audits are performed to identify funding streams to meet the needs. This may result in reallocating or sharing resources. These audits can determine overages in certain areas that may be reallocated to support other areas. Say Yes can help communities identify ways to sustain programming. Once programmatic needs and available resources are determined for Cleveland; those conversations can be held.

Mr. Seifullah stated that CMSD's graduation rate is around 69% and asked if a student did not graduate on time would that student no longer be eligible to go to college.

Ms. Del Valle stated that these Say Yes scholars are eligible for the scholarship regardless of their graduation date. Say Yes requires that scholarships are universal, equitable and sustainable. The local scholarship board decides what this looks like. At graduation, students are eligible for the scholarships as long as they meet the criteria. There are opportunities for the local scholarship board to look the options for students who choose 2 or 4 year schools. In Buffalo and Syracuse, students have 5 years to complete a 4 year degree and 3 years to complete a 2 year degree as long as they remain consistent. Every student who graduates can take advantage of the scholarship opportunity as long as they meet the criteria. Criteria may consists of financial guidelines or other restrictions.

Mr. Seifullah asked if there were ways to assist juveniles who may have legal issues.

Ms. Del Valle stated that support can be obtained through family court to determine how to work with juvenile students who may be incarcerated. Other support can be administered through the wrap around portion of the program. Although we could not provide representation for these juveniles in court, we can refer them to legal representation and monitor the plan that was decided for that individual to ensure compliance with that plan.

Mr. Corrigan stated that a major part of Say Yes is to eliminate silos and encourage collaboration and recommended that meetings be held with the Legal Aid Society of Cleveland regarding legal assistance.

In response to Mr. Corrigan's inquiry, Ms. Del Valle confirmed that College Now is participating on the Say Yes Planning Committee as a convening partner and is a part of the original group that came together to apply for Say Yes to come to this community. Recently, meetings have been held with College Now to learn more about their scholarship opportunities in comparison to the Say Yes scholarship opportunities.

Mr. Corrigan stated that libraries have been connected over time with Andrew Carnegie for his contribution and asked for additional information on the source of the original Say Yes philanthropy and the Weiss family who created the initial monies.

Ms. Del Valle stated that George Weiss has a successful hedge fund company in New York City. Through his investment, he has set aside his annual giving to his local nonprofit of choice which is Say Yes. The philanthropy dollars that support this come directly from his for-profit company providing funds to the philanthropy side.

In response to Mr. Corrigan's inquiry, Ms. Del Valle stated that Weiss Industries is the name of the hedge fund company.

Director Thomas asked if the Say Yes opportunity would be open to charter schools.

Ms. Del Valle stated that there is a work group that will be meeting to look at the charter school issue to see how charter schools fit in. Locally, there are partnering and non-partnering charters schools. There is an opportunity for charter school graduates to take advantage of the scholarship opportunities as well as an option to decide if wrap around services will be in their respective schools.

After Ms. Del Valle thanked the Board for the opportunity to share information about Say Yes, Director Thomas thanked her for her presentation.

FINANCE COMMITTEE MEETING (Mr. Seifullah, Chair)

Present: Alan Seifullah, Thomas Corrigan, Anthony Parker

Absent: John Hairston

Second Amendment to the Year 2018 Appropriation

Carrie Krenicky, Chief Financial Officer, stated that the Certificate of Estimated Resources was updated to reflect the following: a decrease in Other Sources-General Fund by \$125,015 to reflect the resolution going before the Board on February 15, 2018 to advance cash from the General fund to the MyCom fund (\$75,015) and the Tech Centers fund (\$50,000); and an increase in Other Sources-Special Revenue by \$330,030 relating to the \$125,015 cash advance to the MyCom fund and the Tech Centers fund; and the Founders fund for the \$100,000 gift from the Jean Z. Piety Trust; the MyCom fund for the grant funds of \$75,015 for Kindergarten Club and after school tutoring; and the Tech Centers fund for the program grant of \$30,000.

Mr. Seifullah motioned that this item would go to the full Board for approval. Mr. Corrigan seconded the motion, which passed unanimously by roll call vote.

Resolution to Approve the Use of Lockwood Thompson Endowment Funds for International Travel

Carrie Krenicky, Chief Financial Officer, stated that one of the terms and conditions of the Lockwood Thompson Endowment fund is to defray expenses of employees of the Library while attending conventions deemed by the Director and the Board of Trustees of the Library that would be beneficial to the Library's aims and purposes. Director Thomas supports the approved request for Time and Expenses that was submitted by Lan Gao, Senior Subject Department

Librarian, to attend the International Federation of Library Associations and Institutions (“IFLA”) World Library and Information Congress Annual Conference to be held in Kuala Lumpur, Malaysia, August 21 through August 29, 2018. Lan Gao serves on IFLA’s standing committee as the Information Coordinator and reports back to the American Library Association. Ms. Gao serves on IFLA’s standing committee as the Information Coordinator and reports back to the American Library Association. The total conference estimated costs to be incurred by Lan Gao total \$2,615.16, which includes air transportation, lodging for six nights, meals and registration.

Ms. Krenicky stated that Library Director deems that this travel request would be beneficial to the Library’s aims and purposes and the Board has already approved the Appropriation Measure for the Lockwood Thompson Endowment fund.

Mr. Seifullah motioned that this item would go to the full Board for approval. Mr. Parker seconded the motion, which passed unanimously by roll call vote.

Resolution to Enter Into Agreements and/or Establish Funding Requests for Telecommunication Services for the E-Rate Funding Year 2018: 07/01/2018 through 06/30/2019

Carrie Krenicky, Chief Financial Officer, stated that this will be the last year that the Library will be able to apply for the telecommunication services for voice only as it will be completely phased out. This year, starting July 1, 2018, the Library will receive 10%.

The Library filed the FCC form on February 5, 2018. Under this application, the Library is requesting our measured business lines and cellular voice service. This will allow us to enter into contracts for the next e-rate year.

In response to Mr. Seifullah’s inquiry, Ms. Krenicky confirmed that this would be the last year for voice service. The Library really relies on this heavily for ethernet service. Because we are currently under a five year contract, we do not need to file a form 470 yet. That annual cost is about \$152,000 and we get back 90% funding for this.

Mr. Corrigan stated that it is not really federal money that gives the discount as it is enforced on the carriers.

Mr. Seifullah motioned that this item would go to the full Board for approval. Mr. Corrigan seconded the motion, which passed unanimously by roll call vote.

Resolution to Accept Grant Funds from the Child Care Resource Center of Cuyahoga County Inc., DBA Starting Point, for MyCom Out-of-School Time Transitions Programs

Carrie Krenicky, Chief Financial Officer, stated that this resolution authorizes the Library to accept grant funds for Out-of-School Time Tutoring in the amount of \$50,015 and Kindergarten Clubs in the amount of \$25,000 for the period to begin January 1, 2018 through December 31, 2018.

Mr. Seifullah motioned that this item would go to the full Board for approval. Mr. Corrigan seconded the motion, which passed unanimously by roll call vote.

Resolution to Advance Cash from the General Fund to the MyCom Fund and to the Tech Centers Fund

Carrie Krenicky, Chief Financial Officer, stated that this resolution authorizes the Library to advance \$75,015 to the MyCom Fund for accepting the grant and enter into contracts to utilize these funds since we are reimbursed from Starting Point after the funds are expended.

Ms. Krenicky stated that in addition, we need to cash advance funds from the Library's General Fund to the Tech Centers Fund, which is the Best Buy Grant, since we will not be receiving funds before we need to expend them. We are looking to advance \$50,000 to the Tech Centers Fund because we will be receiving portions of the program grant as we accomplish specific goals. Best Buy will pay the Library 20% of the Program Grant (\$50,000), or \$10,000, as soon as the Library completes the "Timeline for Construction, Soft Opening and Grand Opening"; 60%, or \$30,000, upon the Soft Opening; and the remaining 20%, or \$10,000 twelve months following the Soft Opening. We also hired a staff member who we need to expend funds for. This advancement will prevent the fund from running into deficit.

Ms. Washington asked for clarification on the Tech Center Fund.

In response, Ms. Krenicky stated that the Tech Center Fund is a fund that was newly created to house the Best Buy grant.

Director Thomas stated that the Library received a grant from Best Buy to create a Teen Tech Center at the Rockport Branch. This grant allows for some construction to provide space for the Tech Center as well as funding for staffing. Ultimately, this is a \$180,000 grant.

Ms. Krenicky stated that this grant may extend to future years that is why we created a special fund.

Mr. Seifullah motioned that this item would go to the full Board for approval. Mr. Parker seconded the motion, which passed unanimously by roll call vote.

Mr. Seifullah adjourned the meeting of the Finance Committee at 1:00 p.m.