

CLEVELAND PUBLIC LIBRARY
Finance Committee Meeting
January 15, 2019
Trustees Room Louis Stokes Wing
12:00 Noon

Present: Ms. Butts, Mr. Seifullah, Mr. Hairston, Mr. Parker

Absent: Mr. Corrigan, Ms. Rodriguez, Ms. Washington

Mr. Seifullah called the Finance Committee Meeting to order at 12:05 p.m.

Finance Committee Members (Mr. Seifullah, Chair)

Present: Alan Seifullah, John Hairston, Anthony Parker

Absent: Mr. Corrigan

First Amendment to the Year 2019 Appropriation

Carrie Krenicky, Chief Financial Officer, stated that the Estimated Certificate of Resources has been updated to reflect the actual carryover fund balances as we closed December 2018. We also updated our Certificate of Estimated Resources for the Schweinfurth fund, the Learning Centers fund and the MyCom fund for revenues coming in. We decreased general fund PLF revenue by \$165,027 and the MyCom special revenue fund by \$14,570. We will appropriate and carryover fund balances in all funds but the general fund and the grants that will be approved the Board at the upcoming Regular Board Meeting.

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

Resolution Authorizing the Library's Credit Card Policy

Carrie Krenicky, Chief Financial Officer, stated that the General Assembly has passed passed House Bill 312 amendments to regulate the usage of credit and debit cards with an effective date of November 2, 2018. The credit card requirements apply to all political subdivisions, except colleges and universities and counties. The debit card requirements apply to all political subdivisions, except law enforcement. The Cleveland Public Library Board of Trustees must adopt a written policy for the use of credit card accounts no later than February 2, 2019 which is 90 days of the effective date of the bill passing.

Ms. Krenicky explained that House Bill 312 establishes two separate internal control models for credit card usage by political subdivisions: the Custody and Control Model and the Compliance Officer Model. The Financial Services department recommends adopting the Custody and

Control Model as this model is a system in which the Fiscal Officer maintains physical control over all credit cards of the entity and may use a system requiring the cards to be “signed out” by authorized, designated users. The Compliance Officer Model is a system in which the Fiscal Officer does not maintain physical control of the credit cards and in this instance, a compliance officer must be appointed.

Ms. Krenicky stated that we currently have one actual credit card and an Amazon business account which can be considered a credit card account. It is recommended that the Board adopt the Custody and Control Model, which meets the credit card policy requirements of House Bill 312, to become effective January 17, 2019.

Ms. Krenicky noted that the details are attached to the resolution. We will be moving forward to begin our research to explore the use of procurement cards which do not apply to this legislation. This will enable us to further have more efficiency for purchasing procedures which we currently have for our smaller and larger purchases with checks and blanket purchase orders.

Ms. Krenicky stated that credit card accounts do not include procurement accounts, fleet gas card accounts nor telephone card accounts.

Ms. Krenicky noted that the Auditor of State is implementing this for fraud issues. They have reported over 1.2 million cases of fraud since 2011 in credit cards. It is necessary that all political subdivision have tough credit card policies.

Director Thomas stated that the model that is recommended is the model which we currently have. The Board must formally adopt the policy including all of its requirements.

Director Thomas stated that having access to a credit card has its value. On occasion, staff may be required to make urgent purchases for Library needs and wait for sometimes lengthy periods for reimbursement.

Finally, Director Thomas acknowledged Ms. Krenicky’s excellent work as the Library’s Fiscal Officer and announced that she has earned seven Auditor of State awards as a result.

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

Resolution to Accept Grant from the Chuck and Char Fowler Family Foundation through the Cleveland Public Library Foundation for Arts and Education Programming

Aaron Mason, Director of Outreach and Programming Services, stated that as part of its mission, The Chuck and Char Fowler Family Foundation seeks to fund creative out-of-school-time programming in Cuyahoga County that benefit a significant number of students who are in preschool through grade 12. This \$25,000 grant award will be used to fund expanded art therapy sessions offered after school at our neighborhood branches.

Mr. Mason explained that through a different funder, art therapy was placed at the Library's East 131st Street and Hough branches and has proven to be standout out-of-school-time programs. This grant will help the Library expand the program to other branches.

Mr. Mason stated that representatives from Art Therapy Studio will attend the upcoming Regular Board Meeting to answer any questions the Board may have.

In response to Mr. Hairston's inquiry, Mr. Mason confirmed that the East 131st Street branch was the first site where the art therapy program was placed. Because of the success of the program at that location, the community has been requesting for the sessions to return.

Mr. Hairston requested that the Councilman of that ward be informed as well.

In response to Ms. Butts' inquiry, Mr. Mason explained that the art therapy program is structured differently than the other out-of-school-time programs. An art therapist is paired with the Library staff person. Sessions are held twice per week and last for 32 weeks. Participants go through various exercises and use different mediums. The point of the program is to address issues that are important to the children.

Mr. Mason further explained that East 131st Street branch was the first selected as a result of the increased violence that has affected children in that area. The children's librarian at that branch reported that many children in that area were having difficulty coping with the violence.

In response to Ms. Butts' inquiry, Mr. Mason stated that the art therapy sessions are filled to capacity in comparison to other out-of-school-time programs. Attendance at each session is approximately 25-30 with a retention rate of 70-75% of the initial students over the 32 week period. This is largely a result of the relationships that exist between Library staff and the art therapists. Therapy sessions take a break during winter months.

In response to Mr. Seifullah's inquiry, Mr. Mason explained that the art therapy sessions are conducted by an art therapist who uses art as a way to facilitate discussion.

Mr. Mason stated that as a part of the expansion, we will be expanding to five branches in 2019. There are conversations of cross-training so that some of our staff can use their skills in this area.

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 an Agreement with Business Smarts for Hardware Maintenance

Carrie Krenicky, Chief Financial Officer, stated that the effective date of termination of the current hardware maintenance agreement with Business Smarts for the Library's Hewlett Packard printers, desktop stations and servers is January 31, 2019. This resolution seeks authorization for the Library to enter into a Maintenance Agreement with Business Smarts, for the period February 1, 2019 through January 31, 2020, at a cost not to exceed \$91,174.44.

Larry Finnegan, Director of IT, was available to answer any questions that Board may have had.

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 Engage Bond Counsel for Advice and Representation Regarding Issuance of PLF Notes

Joyce Dodrill, Chief Legal Officer, stated that we are in the process of developing a Master Plan for our buildings and facilities. As a part of the Master Plan, there will be recommendations to consider renovations for building projects. We are in the process of getting pricing that will be brought before the Board at the Regular Board Meeting in February.

Ms. Dodrill explained that in order to finance this, we are going to need to issue PLF notes which are also called bonds. Because we are at the point where we are about to identify the costs, it is important to engage Bond Counsel now. The Library has the services of municipal advisor Stifel, Nicolaus & Company, Incorporated who has already advised us on how to structure public financing. We also need to engage bond counsel because they are the experts in taxes and the actual architects of the bond issuance.

Ms. Dodrill stated that she sent out requests for proposal for Bond Counsel services to three law firms with experience in providing bond counsel services to public sector entities, which included Squire Patton Boggs; Calfee, Halter & Griswold; and Bricker & Eckler.

Ms. Dodrill stated she recommends that the Board approve a contract agreement to Bricker & Eckler and noted that Bricker & Eckler was not the lowest of the Bond Counsel fee proposers. However, they were the second lowest. Ms. Dodrill gave the following example: For a \$100,000,000 bond issue, Calfee quoted a fee of \$90,000; Bricker quoted a fee of \$130,000; and Squire quoted a fee of \$145,000.

Ms. Dodrill noted the following reasons why she recommends Bricker: 1) they are one of the largest public law firms in Ohio; 2) they represent over 1,000 political subdivisions; and 3) in the last 10 years, they have represented over 15 bond issues six of which were PLF notes which the Library will probably be doing. Bricker is currently engaged to be bond counsel for Columbus Metropolitan Library, Delaware County District Library, Lorain Public Library, and Warren-Trumbull County Public Library in 2019. They were the bond counsel for Columbus Metropolitan Library's large bond issue of \$92,000,000 several years ago. They also have 23 members in the public finance team and some of them are very reputable.

Ms. Dodrill stated that Becky Princehorn, who would be a member of our bond counsel team, is a frequent lecturer at OLC and serves as Editor of Baldwin's Ohio Practice, Local Government Law-Township, published by Thomson/Reuters Publishing.

Ms. Dodrill stated that Calfee, on the other hand, is also a bond counsel firm, but most of their bond counsel work has been with other political subdivisions, counties, municipalities, port authorities and have only issued 3 library bond issues in the last 3 years. Although Calfee's fee

is significantly lower, Ms. Dodrill recommends that this Board approves for their experience, Bricker & Eckler for engagement for Bond Counsel services for 2019-2020.

Ms. Dodrill introduced Michelle Hillstrom to provide additional explanation of the difference in the roles Bond Counsel and Municipal Advisor and provided that Board with a hand out for further clarification and noted that the next resolution is to engage Stifel, Nicolaus & Company, Incorporated, for Municipal Advisory Services.

Ms. Hillstrom explained that the Stiefel is the Municipal Advisor providing 3 services: 1) general advisory services assisting the Library with overall financial obligations that go along with issuing debt; 2) providing cost benefit analysis, comparing and contrasting different financial scenarios, 3) reviewing documentation to ensure that it meets all requirements. The Bond Counsel is responsible for drafting all financial documents including authorizing resolutions ensuring compliance with state, federal and tax laws. The Bond Counsel is also responsible for writing the legal opinion that supports how the Municipal Advisor structured the debt in the documentation and that the issuance fits within the tax exemption and that that financing is valid.

In response to Mr. Parker's inquiry, Ms. Dodrill clarified that of \$100,000,000 debt issuance, Calfee would be \$90,000; Bricker would be \$130,000; and Squire would be \$145,000. These fees are paid out of the bond proceeds at the end of the bond issuance at closing.

Mr. Seifullah thanked Ms. Dodrill for her work on this item.

In response to Mr. Hairston's inquiry, Ms. Dodrill stated that she did not anticipate any protest relative to the Library selecting Bricker as Bond Counsel.

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

Resolution Authorizing Agreement with Stifel, Nicolaus & Company, Incorporated, for Municipal Advisory Services

Joyce Dodrill, Chief Legal Officer, stated that this resolution is to engage Stifel for the PLF notes transaction that would cover any bonds that the Library might issue during the time period of 2019-2020. Their fee is a maximum of \$75,000 if we issue \$100,000,000 in debt. There is no fee for the day-to-day advice leading up to the transaction and bond issuance.

Director Thomas stated that at a previous Board Meeting, staff gave an overview of the entire PLF notes process which can be complicated and offered a similar review at the upcoming Regular Board Meeting if it would be helpful to the Board.

After thanking Director Thomas for his offer for staff to provide a review, 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 Accepting Bids and Awarding Contracts for Façade Cleaning and Restoration at the Main Library and Louis Stokes Wing

Jeremiah Swetel, Chief Operating Officer, stated that this is a resolution authorizing two contracts for façade and window cleaning for the Main Library and Louis Stokes Wing. The Library went out for bids in December. Sealed bids were received for the Main library and Louis Stokes Wing façade cleaning and restoration project from the following contractors: Coon Restoration & Sealants, Inc.; Mid-State Restoration, Inc.; The M-A Building and Maintenance Company; Lou Ritenour Decorators, Inc. dba WR Restoration; and Cleveland Building Restoration LLC.

Mr. Swetel stated that by structuring the project into two separate contracts, the Library realizes a better price.

Mr. Swetel stated that with the assistance and advice of Taylor Consulting, bids were tabulated and evaluated as to compliance with the specifications and bid documents. Library Administration has determined that the Library will pay the lowest price for the façade cleaning and restoration project by awarding separate contracts for the Main library and Louis Stokes Wing.

Mr. Swetel stated that it is recommended that the Library award a contract for the façade cleaning and restoration, with alternates 2, 5, & 6, of the Main library to The M-A Building and Maintenance Company, which is the lowest, responsible bidder for the portion of the project to be performed at Main Library for the total expenditure of \$278,250.00. In addition, Library Administration recommends the contract award for the façade cleaning and restoration, with alternates 3 & 4, of the Louis Stokes Wing to Cleveland Building Restoration LLC, which is the lowest, responsible bidder for the portion of the project to be performed at the Louis Stokes Wing with the total expenditure of \$167,757.00

After the cleaning has been completed, these facades and windows will be put on a maintenance plan so that cleaning can be done every couple of years.

In response to Mr. Hairston's inquiry, Mr. Swetel stated that the Library's custodial staff is responsible for cleaning the majority of the windows at the branches.

In response to Mr. Seifullah's inquiry, Mr. Swetel explained that the project for the Main Library would be the more challenging and expensive of the two buildings. There are 10 stories for the Louis Stokes Wing. We have an anchoring system which is an attachment that adheres to the structural elements of the building that will help the contractors clean the façade. With this attachment, they can lower themselves down from the 10th floor. This historic Main Library will require some lifts and other equipment so that access can be made available to all of the different areas of the façade.

Director Thomas stated that over the years, vehicle emission from cars and buses is visible on some sides of the buildings especially Main Library. As a part of the process, sealant will be used on some areas of the buildings.

Mr. Swetel stated that various spaces of the buildings were tested to ensure that we were using the best possible products.

Mr. Seifullah motioned that this item would go to the full Board for approval. Mr. Hairston 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 Program

Aaron Mason, Director of Outreach and Programming Services, stated that this grant will continue the funding for Kindergarten Clubs and tutoring services, formerly for grades K-3, but will now be expanded to grades K-8. The difference this year is that both Kindergarten clubs and tutoring will be coupled at each site. Each student will complete the Kindergarten Club and then will be handed off to a tutor who will help them through their first couple of years of school. Kindergarten Clubs and tutoring will be available at four branches.

In response to Ms. Butts' inquiry, Mr. Mason stated that although the list has not yet been completed, Kindergarten Clubs and tutoring will be available at Union and Hough branches.

In response to Mr. Hairston's inquiry, Mr. Mason confirmed that Billie Osborne-Fears continues to serve as Executive Director at Starting Point and is very involved in this initiative.

Mr. Hairston applauded Ms. Osborne-Fears for her unwavering commitment to early childhood education and dedication to students in the Cuyahoga County and the City of Cleveland as well.

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 Authorizing Agreement with Ideastream for CPL150 Storytelling Project

Aaron Mason, Director of Outreach and Programming Services, stated that this is the companion piece to the CPL150 Photographic Project. Although they do not mirror each other, they both possess the same spirit. Ideastream, in partnership with the Library, will conduct outreach to the community over the year, and conduct and document stories about Clevelanders. A portion of those stories will be rebroadcast on Ideastream as a way of directing attention to the Library, the community and ultimately the photographs in the exhibit. The people whose stories we tell through the Ideastream project will be honored at the Library's 2020 Martin Luther King, Jr. Commemoration Program.

Mr. Mason stated that just as with the photographic collection, the oral history collection will live on in the Library's collection.

In response to Mr. Hairston's inquiry, Director Thomas confirmed that former Library employee Donna Willingham was a storyteller and recommended that we reach out to her for inclusion in this project.

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

Resolution Authorizing Agreement with Cleveland Print Room, Inc. for CPL150 Photographic Project

Aaron Mason, Director of Outreach and Programming Services, introduced Shari Wilkins, Executive Director, Kerry Davis, Development Coordinator and Community Liaison, Cleveland Print Room.

Mr. Mason stated that as a part of the Library's 150th Anniversary planning this year, there will be signature events as well as two initiatives that will have a lasting impact on the Library's collection and the City of Cleveland.

Mr. Mason stated that one such initiative involves the Cleveland Print Room which will give a photographic survey the City of Cleveland.

Ms. Wilkins gave an overview of the project and thanked Mr. Mason for asking that the Cleveland Print Room prepare a proposal for the photographic documentation and a photographic survey. This project will work with the community in celebration of the Library's 150th Anniversary. The goal is to conduct the survey preserving images for generations to come.

Ms. Wilkins stated that she has reached out to colleagues who will be working on the project, expanding the vision of the project and also offering a working plan. Photojournalist Ruddy Roye was contacted to discuss the endeavor and for input. Several local photographers were contacted to work on a plan on how to gather information and investigate different ways on how to present the photography piece of the project. Others have been contacted to work on the project's visioning.

Ms. Wilkins stated that Cleveland 20/20 is a gift to Cleveland and the beginning of a year-long project that will culminate in a collection and archive that will be housed in the Cleveland Public Library's Center for Local and Global History Department's photograph collection.

Cleveland Print Room will coordinate the community based photography project documenting snapshots in time reflecting the unique character of the city. The vision is to focus on the City of Cleveland; its neighborhoods and communities and those things that represent our city beyond the walls of major institutions. Both organizations intend to continue the collaboration by building the installation beyond the initial 12-18 months of this project. The culminating event will be a Brett Hall exhibition in the year 2020 tracking the photographers' work as they traversed the city for the entire year of 2019.

Olivia Hogue, Subject Department Manager, Center for Local and Global History, stated that the Library's photographic collections contains photographs from the late 1800's through 1990 when the collections ends. Ms. Hogue emphasized the importance of the continuing the collection that will include community based neighborhood photographs.

Ms. Wilkins gave a detailed background on national photojournalist Ruddy Roye, who is a Jamaican documentary photographer specializing in editorial and environmental portraits. Mr. Roye has worked with publications such as New York Times, National Geographic, Ebony, ESPN Magazine, and Essence. Mr. Roye has worked with Cleveland Print Room students last year for a week made possible through a grant from the Ohio Arts Council.

Ms. Wilkins stated that through her discussion regarding this project, she was confident that Mr. Roye could represent Cleveland as an outsider looking in.

Ms. Wilkins showed a power point of the following local Cleveland photographers and examples of their work that have been utilized by the Cleveland Print Room in their daily work: Dashaunae Jackson, Stephen Bivens, Greg Martin, Owen Rodemann, and Destanee Cruz. Ms. Wilkins explained that these photographers will be involved in the Cleveland20/20 project and gave detailed background on each.

Mr. Mason stated that this is a layered approach to photo survey that will include the grassroots level of people picking up a camera for the first time, aspiring photographers, working photographers and nationally known photographers.

In response to Ms. Butts' inquiry, Ms. Wilkins stated project related activities will be occurring monthly. The Cleveland Print Room will be working with the Cleveland Museum of Art through their outreach program as well as many events coordinated with Mr. Roye.

Mr. Mason stated that a part of our promotions campaign for the year would be to feature many of these images on the digital displays throughout the branches, community workshops and social media.

In response to Ms. Butts' inquiry, Ms. Wilkins confirmed that this campaign can be shared on Facebook and Instagram. Because this is not limited to the photographers in the program, the community will be asked to send in photos that will be featured on Instagram.

Mr. Hairston stated that he was impressed with this project and especially its potential for inclusion and diversity.

Ms. Butts stated that the power of photography is so amazing and shared her reflections on a recent trip to Europe where she had the opportunity to visit a civil rights movement exhibit called "I Am a Man".

Mr. Mason stated that the Cleveland Print Room compiled an initial list of photographers that reflect the diverse community the Library serves in age, gender and race. More photographers will come as the year progresses.

Ms. Wilkins stated that as the project progress hopefully individuals will think about the photographs that they have that will be beneficial to add to the Library's collection.

After additional discussion about the significance of the project, 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 Authorizing Lease with Say Yes to Education, Inc.

Joyce Dodrill, Chief Legal Officer, stated that this resolution requests the authority to enter into a lease with Say Yes to Education Cleveland.

Ms. Dodrill stated that in February of 2018, Nadia Del Valle, National Program Director of Say Yes to Education, Inc., made a presentation to the Board, explaining the Say Yes to Education program which is designed to increase post-secondary education completion rates for students by addressing barriers to student success while they attend public schools, and providing financial support for secondary education. In October of 2018, the Board authorized the Library to enter into a Governance Agreement with Say Yes to Education Cleveland, Inc. (“SAY YES”) and community partners, under which the Library would provide support services to the SAY YES initiative designed to provide scholarships and educational wraparound services to public post-secondary schools in Cleveland.

Ms. Dodrill stated that since that time, Say Yes has been in the process of completing its fundraising for the launch of the chapter here in Cleveland and has been looking for office space for its administrative staff. In November of 2018, Executive Director Thomas invited Say Yes to consider locating its Cleveland chapter office on the second floor of the Library’s Louis Stokes Wing, with the goal of co-locating Say Yes with the Library’s childhood literacy and education programming staff inside the Library’s Learning Commons.

Say Yes is very interested in leasing the Library’s space and has requested that we consider leasing the space for \$1.00 per year. Although we have not negotiated the term of the lease or other details, they wish to make some changes in the space to accommodate an office and other aspects which they will pay for. They will also pay for technology support in the Library at an amount to be determined.

Ms. Dodrill stated that the space is approximately 696 square foot area currently known as Conference Room A.

In response to Ms. Butts’ inquiry, Ms. Dodrill stated that it has not yet been announced who will serve as the local director of Say Yes to Education Cleveland.

Director Thomas stated that the Executive Director of Say Yes to Education Cleveland will probably be announce at the upcoming Community Update on Say Yes to Education on Friday, January 18, 2019, 10:00 AM at John Marshall High School. The Director invited the Board to attend if their schedules permitted.

Mr. Hairston stated that this is a major initiative to support Cleveland Public Schools and agreed that the Library is an acceptable location to house the Say Yes to Education office.

Director Thomas stated that we are also holding conversations with PRE4CLE to consider locating their office on that same floor. Then the Library would have early childhood, K-12 and our staff to do early childhood education and development all in the same space and with one philosophy working towards the same outcomes.

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

Mr. Seifullah adjourned the Finance Committee Meeting at 12:58 p.m.