

TRUSTEES OF THE PUBLIC LIBRARY OF THE CITY OF BOSTON

Meeting of the Trustees Finance and Audit Committee

Tuesday, September 15, 2020 at 8:00 a.m.

Held virtually via Zoom. <https://boston-public-library.zoom.us/j/82924382060>

MINUTES

A meeting of the Boston Public Library Trustees Finance and Audit Committee was held virtually via Zoom on Tuesday, September 15, 2020.

All Members were present at the meeting: Committee Chair Evelyn Arana-Ortiz and members, Zamawa Arenas, John Hailer, Jeff Hawkins, and President David Leonard. Also present were Boston Public Library staff including Ellen Donaghey, Chief Financial Officer, Pamela Carver, Clerk of the Board, other BPL staff members, and members of the public.

The meeting of the Trustees Finance and Audit Committee (“Committee”) was called to order at 8:01 a.m. by Ms. Arana-Ortiz. A roll call was taken and determined there was a quorum. The first matter of business was review and approval of Meeting Minutes from January 16, 2020. With no edits or comments, a motion was duly made, seconded and the meeting minutes of January 16, 2020 were approved unanimously.

Matt Hunt and Jim Piotrowski from CliftonLarsonAllen (“CLA”) were invited to discuss the FY19 Management letter and FY20 Financial Statements. Mr. Hunt noted that due to COVID-19, CLA had not been able to review this with the Committee in the spring, as typically happens.

Jim Piotrowski explained their recommendations based on his site visit to the BPL. He focused the recommendations go on a few areas for improvement regarding the Pay for Print Program. He identified controls over the collections process at the kiosk, where BPL staff were using a shared username. He recommended each employee be assigned a unique username instead. Regarding the physical kiosks’ login, CLA recommended that it require a physical login before allowed key access. The third recommendation was regarding customer accounts in the Pharos system; identified customers could access their account even if they had a negative balance. He recommended that the library have some controls added to ensure that there are ways to allow customers to add to their account before being granted access to the program. Finally, he recommended having Archived transactions in their monthly reconciliation.

Evelyn Arana-Ortiz asked BPL staff, how much of the recommendation can be addressed via process within system limitations. She also asked if they were up to date on upgrades. Mr. Leonard responded that the management letter was a helpful analysis and that anything that could be addressed procedurally had been. [List can be found in the comments section of the Management letter]. However, they were not able to address any items that required code changes or updates to controls due to the vendor no longer supporting upgrades or enhancements. Kurt Mansperger, BPL’s Chief Technology Officer, was looking at various upgrades and system replacements for the future. Staff will be deactivating accounts and containing to the best of our ability.

Matt Hunt began the review of the Financial Report for FY20. He commended the BPL’s finance team for their readiness and preparation for the audit despite new deadlines and COVID-19. He reported that it is CLA’s policy not to include the auditor’s opinion in the draft financial statement. It is expected that the rating will be “Unmodified,” which is the highest available.

In describing the Financial Highlights of the report, Mr. Hunt pointed to the General Fund reporting balances in each categories: Restricted Fund (programs and general trust holdings); Unassigned and

Assigned Funds (state aid, and enterprise funds) He noted some impacts negatively affected the fund, which reflected a 37% decrease in events revenue. The Fund for the BPL (previously known as the BPL Foundation) was in a transition year last year. The Fund saw a major increase of \$840,000 from the previous year.

Mr. Piotrowski reviewed the year-end balances overall of approximately \$72 million. Overall, we've seen a drop of revenue in non-intergovernmental funds. The expenses report, administrative, equipment, and maintenance funds remained consistent. The largest changes seen were in books/materials due to the pandemic. There were no questions with the report.

Mr. Hunt concluded that the audit is complete with the exception of waiting for the BPL Fund report to be finalized. CLA did not feel the quality was compromised by the COVID-19 restrictions and were able to complete the audit remotely without any issues. There were no questions. Ms. Arana Ortiz made a motion that was duly made, seconded, and

VOTED: “that, the Trustees Finance and Audit Committee of the Public Library of the City of Boston recommend the Board of Trustees approve the Boston Public Library’s Audited Financial Statements for the Fiscal Year ending June 30, 2020.”

VOTED: “that the Trustees Finance and Audit Committee of the Public Library of the City of Boston vote to recommend to the Board of Trustees to accept the Management Letter for the Fiscal Year Ending June 30, 2019 from CliftonLarsonAllen, LLP, Certified Public Accountants.”

Next, Ms. Donaghey reviewed the Johnson Ceiling Abatement project. She explained the bids were due October 4 and they would be putting forth their recommendation by the end of the month.

Next, Ms. Donaghey explained that The Catered Affair (TCA) contract would be expiring on October 1. TCA had essentially lost one year of their contract due to the pandemic closure so the Library wanted to extend the contract by eighteen months. Ms. Donaghey noted there would be difficulties in engaging in a new bid process right now due to COVID restrictions on events and space requirements. The extension would also allow for a cross period of rebooking numerous events that had been cancelled and/or postponed due to the virus. The Committee members discussed the merits in extending the contract eighteen months.

Ms. Arana-Ortiz made a motion to approve the two contracts for recommendation to the Board of Trustees. One edit was made to the Johnson Abatement vote to reflect adding the amount of \$150,000 to the vote wording. The motion was duly made, seconded and,

VOTED: “that, the Trustees Finance and Audit Committee of the Public Library of the City of Boston recommend the Board of Trustees delegate approval of the Johnson Ceiling Abatement project in the amount of up to One Hundred Fifty Thousand Dollars (\$150,000) to the Finance and Audit Committee.”

VOTED: “that, the Trustees Finance and Audit Committee recommend the Board of Trustees extend the Catering and McKim Restaurant Contract with The Catered Affair by a period of eighteen months to November 1, 2022.”

Ms. Donaghey and Mr. Michael then reviewed each of the contracts for approval: GrubStreet, YW, and Tech Goes Home.

Ms. Arana-Ortiz asked if any of these programs were offering homework help remotely. Mr. Colford replied that the homework help program is expanding. It was funded through the BPL Fund and the Library was able to hire a part time youth education specialist who started in March right before we had to close down. The program would be launched later in September. He added that they received the highest amount of requests for homework assistants this year (fifty assistants). Tech Goes home has a couple of new programs, some for school aged kids and some for early literacy program. GrubStreet has a robust young adult writers program that we work with, but noted the homework help side will be handled with BPL staff now.

Zamawa Arenas asked if Mr. Colford could talk about the new position and the partnership with GrubStreet. Mr. Colford explained they had realized last year that GrubStreet was more than just a program partner but rather more of a service provider. GrubStreet's focus is on working with vulnerable communities, literacy, and equity issues (all of which are BPL priorities). We moved them from our Programs Department to our Community Learning Department, which is relatively new and works around literacy, instruction, and outreach to neighborhoods. Therefore, the Community, History, and Digitization specialist is the new grant position, in partnership with Northeastern University. The role focuses on communities in the City of Boston to do research and projects from small grassroots organizations. One of the first projects is on oral histories and digitizing them. They have pitched this pilot program to work with GrubStreet.

Mr. Colford also added that the Tech Goes Home programs will target all ages for patrons from adults to early literacy caregivers to be taught across the BPL system as well as the Kirstein Business Library and Innovation Center. He also explained that Tech Goes Home's focus is on bridging the equity divide for those who do not typically have technology access. They have a robust outreach in communities of need and a broad mix in ages of users.

Ms. Arana-Ortiz called for a motion that was duly made, seconded and

VOTED: “that, the Trustees Finance and Audit Committee of the Public Library of the City of Boston approve a contract with GrubStreet of PO Box 418, Arlington, MA 02476. The amount is not to exceed one hundred thousand dollars (\$100,000) to provide three programs that support our literacy and equity priorities: *Write Down the Street* for adults; *Teen Writer's Groups* for teens, and a developing oral history project in partnership with the library's Community History & Digitization Specialist in Community Learning.”

VOTED: “that, the Trustees Finance and Audit Committee of the Public Library of the City of Boston approve a contract with Tech Goes Home of 867 Boylston Street, 5th Floor, Boston, MA 02116. The amount is not to exceed ninety thousand dollars (\$90,000) to facilitate distance learning for at least one hundred fifty patrons.”

VOTED: “that, the Trustees Finance and Audit Committee of the Public Library of the City of Boston approve a contract with YW Boston not to exceed fifty thousand dollars (\$50,000) to assist in fostering diversity and inclusion into its programs and procedures.”

Ms. Arana-Ortiz asked if Mr. Colford could give an update to the Trustees at the next Board Meeting. He agreed to invite the new Community History & Digitization Specialist to give updates. Mr. Leonard

agreed to include this as well as a broader look at youth engagement at the next Board of Trustees meeting.

Ms. Donaghey explained the process for accepting donations throughout the year and giving an annual report in September. Ms. Donaghey pointed out one change made this year. In an effort to streamline acknowledgements, The Fund will deposit all donations received. Previously, the Library deposited some donations, others by the Fund. The Fund will forward them afterward to the finance office. As a result, the report reflected a larger balance for the BPL Fund and smaller individual donations. Ms. Donaghey highlighted the donations of the affiliates: The BPL Fund, Associates, as well as the City-Wide Friends. She gave a special mention to the South End Friends, which gave a generous donation of \$40,000 for the recent South End refresh. Additionally, the Marathon team raised approximately \$90,000.

Mr. Leonard wanted to recognize all of the donors and organizations that this list represented. This included all of the Fund, LMEC, and The Associates' donors, as well as all of the Friends Groups from across the system. All of whom have done an amazing job to support the Library and augment the city and state funding.

Mr. Arana-Ortiz asked for any new business for which there was none. She asked for Public Comment.

Celeste B., a BPL staff member, asked how the contract for YW compares to other contracts for staff training internal review. Mr. Leonard explained that they spoke with three specific organizations, All Aces, Community Change, and YW. All came highly recommended as local organizations that do this work and could be a good partner with the Library. Each were interviewed, all were great firms and do great work but Library staff felt the YW contract was a better fit based on methodology, bench strength and capacity, the diversity of their organization, and their approach to the work that we are requiring. The rates were comparable in all three of them. This contract is for Phase I and Phase II and will reevaluate at that time.

With no further comments, the meeting adjourned at 9:10 a.m.

Respectfully submitted,



Pamela R. Carver