

# TRUSTEES OF THE PUBLIC LIBRARY OF THE CITY OF BOSTON

**Meeting of the Trustees Finance and Audit Committee  
Tuesday, March 16, 2021 at 8:00 a.m.  
Held via Zoom  
DRAFT MINUTES**

A meeting of the Boston Public Library (“BPL”) Trustees Finance and Audit Committee (“Committee”) was held virtually via Zoom on Tuesday, March 16, 2021 at 8:00 a.m.

Present at the meeting: Committee Chair, Evelyn Arana-Ortiz and members, Zamawa Arenas, John Hailer, Jeff Hawkins, and President David Leonard. Also present were Trustee Priscilla Douglas, and Pamela Carver, Clerk of the Board, and BPL staff including: Ellen Donaghey, Chief Financial Officer, along with members of the public.

The Clerk noted the meeting was being recorded. Ms. Arana-Ortiz called the meeting to order at 8:04 a.m. She welcomed everyone for attending. A roll call was taken and determined that there was a quorum.

The first matter of business was review and approval of the Meeting Minutes from January 5, 2020. With no edits or comments, a motion was duly made, seconded and the meeting minutes of January 5, 2020 were unanimously approved by a roll call vote.

Sebastian Grzejka of NEPC reviewed the BPL quarterly investment performance report and an overall review of the portfolio and its allocation. He noted that the funds had an extremely strong performance to end the year. The allocation has held up very well but they do expect there will continue to be some volatility. Overall, the investment had an 18% return in the past 12 months, which was very positive, with strong results throughout.

Mr. Grzejka discussed some particular issues in the market recently, such as unusual trading patterns from unexpected companies (i.e. Gamestop and Reddit) which added to some recent volatility.

While all of the Asset Managers in the portfolio have done well, Impax has done particularly well and is up 77% since their inception with the BPL. This reflects that the timing of BPL entering that investment was more than opportune. The strategy has been worked well and overall the results have been good. NEPC does recommend allocating 7% of the portfolio to SSgA Treasuries.

Mr. Grzejka updated the Committee that one manager, Segall Bryant & Hamill, recently announced they would be bought out by a Canadian corporation. He noted it is common to see smaller firms looking for long term strategic partnerships. NEPC was not concerned with this move, but wanted to be sure the BPL was aware of the change.

Hailer noted that the NEPC’s investment committee made some brilliant choices and reflected in the wonderful numbers.

Mr. Grzejka reviewed the BPL’s asset allocations based on the current market themes. He noted that the one uncontrollable factor that is driving the market today was the virus trajectory. Depending on region and economy, it will reflect a wide range of outcomes. He noted the difference between the US and Europe in response with vaccination rollouts, number of COVID-19 cases, and related matters that clearly reflects that different regions of the world are not on equal footing.

The second major market theme they noted was the extent of government interventions. The Federal and Central banks around the globe have said they will do everything they can to protect the markets, which is reflected in the

lower interest rates, in the several coronavirus relief funds passed by the US government, and Europe's expanded emergency bond-buying program.

The last few market themes concerned globalization backlash and China transitions. Both are long-termed data themes, which may show lasting impacts from the pandemic and an amplified wealth divide given economic and labor market disruptions. Investors cannot ignore the rise of China from a global player perspective. China has evolved over the last decade, moving away from a manufacturer-based economy to a more service-based economy and slowly rising as the #1 economy. As investors, we will have to contend with two massive global powers.

The Trustees discussed some concerns over the endowment investments with China, being a communist government, and the BPL's social impacts strategy that the Trustees implemented. Mr. Grzejka noted that 42% of the overall emerging impact's index was China. The region was resilient in regards to everything that happened due the pandemic but the portfolio was strong in sticking to the strategy they determined.

Mr. Grzejka reviewed the Impax's investments which focus on long-term themes on areas like growing populations, rising living standards, rising consumption, and rising or depletion of fossil fuels. They focus on areas that do not have great growing government or social factors in them. Tech related stocks received an uptick last year due to demand. The Trustees and Mr. Grzejka discussed the balance between value and growth-based investments and concerns with shorter vs. long-termed investments within the BPL portfolio.

Mr. Grzejka reviewed the recommended shifts in the asset allocation. He explained the current BPL target looked to balance exposures by taking a conservative total return approach. He recommended the asset allocation should focus on two things: a streamlined asset allocation that makes sure to have the correct targets based on what they are seeing today and second to simplify it.

In summary, the recommended Mix A would reposition the portfolio to take advantage of today's opportunities. The fixed income side would be balance safe haven assets with yield seeking assets, and focusing on the strategic parts of the portfolio.

With no further questions, Ms. Arana-Ortiz made a motion that was duly made, seconded and voted unanimously via a roll call vote.

**VOTED: "that, the Trustees Finance and Audit Committee of the Public Library of the City of Boston accept the reallocation presented by NEPC as the Mix A implementation and moving the funds as indicated as 'BPL Asset Allocation Review' located on page 7 of the abbreviated NEPC 2020 Quarterly Investment Performance Review and adding 7% to SSGA Securities."**

Ms. Arana-Ortiz thanked Mr. Grzejka for his presentation and NEPC for their support of people of color within their new partners and principles reflected in their full quarterly report. She noted that the Full board would be updated of the asset allocation change.

Next, Ms. Ellen Donaghey, Chief Financial Officer and Kurt Mansperger gave a brief background on the two E-rate contracts. E-rate is a federally funded service support program. If awarded the grants, the federal government will cover up to 80-90% of the contracts. The BPL applied for six E-rate grants in total. The first contract was for a multi-site connectivity services between the Boston Public Library System and the emergency hub. The second contract was for a network backup/upgraded system throughout the network for all the switches. The BPL

anticipated that E-rate would fund 85% of the contracts leaving an estimated balance of \$157,000 for the switches and \$30,000/year for the multi-site connectivity. Mr. Mansperger added that due to the passing of the American Rescue Plan, \$7.1 billion was allocated towards E-Rate with specific purpose of extending the E-rate program and potentially funding 100% of some existing services in the near future for services provided during pandemic.

Mr. Arana-Ortiz made a motion that was duly made, seconded, and approved unanimously via a roll call vote.

**VOTED: “that, the Trustees Finance and Audit Committee of the Public Library of the City of Boston approve to be entered into with: City of Boston, Dept of Innovation and Technology, located at: One City Hall Square, Boston MA 02201, the most responsive and responsible bidder in a public Request for Proposal (RFP) process, advertised under M.G.L. 30B, a contract for: MBLN Multi-Site Connectivity (BPL) as specified for one year with the BPL option to renew for two additional years at the proposal price, at a total not to exceed: Three hundred seven thousand, eight hundred dollars (\$307,800.00) per fiscal year, contingent upon receipt of Universal Services Administrative Co Federal funding (E-rate). The Boston Public Library Evaluation Committee performed an evaluation of the proposals submitted by the vendors as described in the RFP documents, and through this process determined the proposal presented by: City of Boston - DoIT represented the best value for the Boston Public Library.”**

**VOTED: “that, the Trustees Finance and Audit Committee of the Public Library of the City of Boston approve to be entered into with: ePlus, located at: 13595 Dulles Technology Drive, Herndon, VA 20171 the lowest eligible, responsible, and responsive bidder in the public bidding, advertised under M.G.L. 30B, a contract for: MBLN Network Hardware Upgrade as specified for one year, at a total cost not to exceed: Eight hundred seventy one thousand, nine hundred seventeen dollars (\$871,917.00), contingent upon receipt of Universal Services Administrative Co Federal funding (E-rate). The Boston Public Library Evaluation Committee performed an evaluation of the bid packages submitted by the vendors as described in the IFB documents, and through this process determined the bid presented by: ePlus represented the best value for the Boston Public Library.”**

Next, Ms. Donaghey presented the security contract. She explained that the current security company at the BPL, G4s, did not bid on the contract. The Evaluation Committee reviewed five companies and determined Securitas presented the best bid. Securitas was not the lowest, however they presented a great benefit package for their employees and belonged to the SEIU union (similar to G4s). Ms. Donaghey explained that the lower costs for these bids are typically based upon submitting lower salary costs for the security guards in the buildings and lesser benefit packages. As was the case in the last bid, the Library does not think this would be an acceptable way to lower costs, and would have a negative impact on the ability to retain long-term employees

Emily Tokarczyk, a member of the procurement team, added that the RFP included supplying information on the company’s efforts toward equity, diversity and inclusion. The Securitas proposal included significant language on their efforts in hiring and retaining a diverse workforce and their goal to have increased diverse representation across a company nationwide, and a strong commitment toward female employment.

Ms. Donaghey noted that the contracted amount was for one-year contract with option to renew. Ms. Donaghey broke the contract costs down. The contract for year one was for \$1,536,963.96, year two was for \$1,592,747.52, and year three was for \$1,650,168.00. The collective total for all three years was for \$4,779,879.48. The vote before the Committee was for the first year, with the potential for a three-year contract. Ms. Arana-Ortiz made a motion that was duly made, seconded and, approved unanimously by a roll call vote.

**VOTED: “that, the Trustees Finance and Audit Committee of the Public Library of the City of Boston approve a contract for one year with two one year options to renew for Guard and Patrol Services for Boston Public Library System to Securitas Security Systems USA at One Harbor Street, Suite 301, Boston, MA 02210.”**

Kurt Mansperger reviewed the BPL Technology Plan. He saw this as opportunity to review the department’s goals and to focus on:outcomes and impacts of Technology, expanding extend the Library’s reach, expanding educational opportunities, developing spaces that meet evolving patron needs, enabling “one library”, driving organizational efficiency, and improving IT fundamentals. He reframed the IT Department’s mission, wanting this Technology plan to show the IT Department as more of a strategic business partner.

Mr. Mansperger reviewed each key part, determining how much benefit each area was going to have on staff and patrons, and to take time and effort to define our key performance indicators. He discussed the goal of extending the BPL’s reach by looking at how we get services or access to our services. Extending reach through providing more and better Wi-Fi, Chromebooks, hot spots, and expanding advance technology lending.

The Tech Plan focuses on expanding educational opportunities by providing more tech assistance opportunities. Finding ways to reach people in their homes. He explained they would improve internal document management, improve the process for tracking key relationships, and refine the integrated web experience.

Another key target area is to drive organizational efficiency in how we run throughout the system. This is areas like timesheets and employee transitions.

Last key area was what you would expect in an IT Department plan. To revise business continuity plan, establish tech refresh schedule, and improve data center infrastructure. Mr. Mansperger expects it to evolve over time.

The Committee commended Mr. Mansperger on a thorough plan with a wealth of information included. They discussed some of the key components and noted that while a number of initiatives were related to closing the digital equity divide, it should be explicitly stated and highlighted more. With no further comments, a motion was duly made, seconded and approved by a roll call vote.

**VOTED: “that, the Finance and Audit Committee of the Public Library of the City of Boston vote to recommend to the Board of Trustees to accept the Boston Public Library Technology Plan as presented.”**

Ms. Arana-Ortiz asked for new business for which there was none. She asked for public comment.

David Vieira, of the City-Wide Friends asked Kurt Mansperger about the hot spots. He explained he is a hot spot Wi-Fi borrower. He thanked the BPL for this service. He noted that he lives directly across the street from Hyde Park Branch library and he was aware that the BPL increased the signal during the pandemic. He noted it was difficult to pick up the signal and it dropped off frequently and just wanted to bring this to Mr. Mansperger’s attention. Regarding hot spot borrowing, the instruction sheet was not in the box. Suggested that staff checks to ensure that the instructions are included before lending them out. He concluded that he was very thankful for the service and any expansion of services to the broader community was welcomed and was always greatly appreciated.

Mr. Mansperger thanked Mr. Vieira for his feedback and was glad to hear that he was using the service and had good experience. He explained that E-Rate funding is federal funding used to cover 85-90% of network

infrastructure and service costs. Accepting E-rate funding comes with terms on how it is used, including limiting the Wi-Fi signal to library property. When expanding external Wi-Fi, the focus was on improving the signal where the Library had outdoor seating or parking available on their property rather than attempting to reach neighboring resident homes.

With no further business, the meeting adjourned at 8:31 a.m.

Respectfully submitted,

Pamela Carver, Clerk of the Board