

TRUSTEES OF THE PUBLIC LIBRARY OF THE CITY OF BOSTON

Special Meeting of the Trustees Finance and Audit Committee Tuesday, March 5, 2024, at 8:30 a.m. Held via Zoom

MINUTES

A meeting of the Boston Public Library Trustees Finance and Audit Committee was held virtually on Tuesday, March 5, 2024, via Zoom at 8:30 a.m.

Members present at the meeting: Committee Chair Evelyn Arana Ortiz and Committee members: Navjeet Bal, David Leonard, and Senator Mike Rush. John Hailer and Jeff Hawkins were absent.

Also, present were Boston Public Library staff including Chief Financial Officer Emily Tokarczyk, Clerk of the Board Pamela Carver, BPL staff, and members of the public.

Ms. Arana Ortiz presiding called the Special Meeting of the Trustees Finance and Audit Committee (“Committee”) to order at 8:31 a.m. She then read the welcoming EDI statement. Roll call was taken and determined there was a quorum. Everyone was reminded that the meeting was being recorded and how to sign up for Public Comment.

The first matter of business was the approval of the special meeting minutes from December 19, 2023. With no edits or comments, the meeting minutes were approved.

Emily Tokarczyk briefly reviewed the BPL’s FY24 City Operating Budget requests of \$49, 308,309.00. She noted that the direction they were given was to focus on a maintenance budget, keeping in mind any any contract increases for the upcoming year. Overall, the operating budget reflected a 2% increase, mostly for salaries. She noted the figures were still in draft while finalizing their submission with the city. Ms. Tokarczyk explained the external funds included the affiliate partners and philanthropic trust funds which they anticipated to be \$9,341,835.

Investment proposals included in the submissions which included: safety & security, social work, youth services, and facilities were reviewed. She ran through the current capital projects list including (but not inclusive): Fields Corner, Chinatown, South End, McKim Master Plan, among others.

She concluded by noting that they had been diligently working with the city’s budget office but were still weeks away before they would have any updated information. She will give a full report at the May meeting.

They discussed that the \$49 million budget reflected the maintenance budget only and did not include the investment proposals. The investment proposals were to show the mayor some themes that the BPL would like to focus on and were working with the city to see what might be possible by going on record with areas of need should the additional funding be feasible.

Next, they moved onto the contracts for approval. They included the annual e-Rate votes. These bids are to receive IT services through partially funded federal grants.

Keith Gillette explained there were three e-Rate votes for network connectivity (internet access, the connectivity between BPL/city and a data center for disaster recovery, and the redundant connectivity between all our sites to connect to our central network). The fourth e-Rate vote was for a recommendation for the full board to approve. It is for an infrastructure upgrade. They received one response from the Department of Innovation and Technology (“DoIT”) at the City of Boston who has been our provider for the past ten years.

Ms. Arana Ortiz made a motion to approve the three network connectivity votes, it was duly made, seconded, and voted to approve,

VOTED: “that, the Finance and Audit Committee of the Public Library of the City of Boston approve the one-year contract, with two 1-year renewals, not to exceed Thirty-Nine Thousand Six Hundred Dollars and Zero Cents (39,600.00) with City of Boston Department of Innovation and Technology, City Hall Room 703, Boston, MA 02201.”

VOTED: “that, the Finance and Audit Committee of the Public Library of the City of Boston approve the one-year contract, with two 1-year renewals, not to exceed Forty-Two Thousand Dollars and Zero Cents (\$42,000) with City of Boston Department of Innovation and Technology, City Hall Room 703, Boston, MA 02201.”

VOTED: “that, the Finance and Audit Committee of the Public Library of the City of Boston approve the one-year contract, with two 1-year renewals, not to exceed Two Hundred Forty Thousand Two Hundred Forty Dollars and Zero Cents (\$240,240.00) with City of Boston Department of Innovation and Technology, City Hall Room 703, Boston, MA 02201.”

Next, was for approval for digital signage software to replace the existing custom control software for the electronic boards systemwide. Mr. Gillette noted that they have been working on alternatives since the initial company went out of business. This will allow individual content to be designed first. This is in partnership with the Mayor’s Council of Youth ‘s “Youth Lead the Change” grant. This contract is a 5-year contract with Hypersign, LLC.

Ms. Arana Ortiz made a motion that was duly made, seconded, and voted to approve.

VOTED: “that, the Finance and Audit Committee of the Public Library of the City of Boston approve the five-year contract with Hypersign, LLC of PO Box 877, Drayton, SC 29333 for Fifty-Four Thousand Eight Hundred Ninety-One Dollars and Sixty-Four Cents (\$54,891.64).”

Beth Prindle, Chief of Research & Special Collections and Jay Moschella, Curator of Rare Books presented the next vote. Ms. Prindle explained that the library was currently redrafting both the Collection Development Policy and the charter for the Special Collections Committee which both include the process for acquisitions. The vote today was bringing forward a temporary process for a significant acquisition in rare books. This was to maintain transparency while establishing a more permanent process. This particular acquisition would be using restricted trust funds from a bequest in 2017 for Italian materials to purchase and this purchase goes toward the library’s commitment to collections purchasing for this fiscal year, which enables us to meet our state aid requirements.

Mr. Leonard explained that the discussed updated charter of the Special Collections Committee would move away from approving individual purchases to developing a process for regular reporting on recent acquisitions. They are aware of this change, but in the absence of the formal process, and the size of the purchase, it defaults to the F&A Committee for approval based on Leadership’s recommendations. Ms. Prindle noted the difference of what the purview of the committee is. The Collections Development policy will determine the criteria under which the library collects material. The Special Collections Committee in the new charter will not have acquisitions in their mandate but will be talking internally about how to amplify the collections through partnerships and various promotions. The drafted charter was already reviewed by the Special Collections Committee.

Jay Moschella explained the printed in 1513 represents the first book printed in any African language. He noted an incredibly well and long documented provenance is unbroken for a century and can also be

traced back centuries before that. He noted it was safe as an antiquarian book can be when being purchased, ethically speaking.

Ms. Arana Ortiz made a motion to approve that was duly made, seconded, and voted to approve.

VOTED: “that, the Finance and Audit Committee of the Public Library of the City of Boston approve the purchase of rare book, 1513 Book of Psalms, from Michael Graves Johnston Antiquarian & Rare Books, 54 Stockwell Park Road, London SW9 ODA, UK, for seventy thousand pounds (£70,000 or approximately eighty-eight thousand two hundred dollars and zero cents (\$88,200).”

Keith Gillette explained the last e-Rate contract was with ePlus Technology to replace six Cisco network switches which were reaching the end of life and no longer receiving updates. The contract would be for \$224,550.26 but would be subsidized by e-Rate for approximately 85%, with BPL paying approximately Forty thousand dollars (assuming the e-Rate reimbursement goes through).

Ms. Arana Otiz made a motion to recommend the Board approves this contract. It was duly made, seconded, and voted to approve.

VOTED: “that, the Finance and Audit Committee of the Public Library of the City of Boston recommend the Board of Trustees approve a three-year contract not to exceed Two hundred Twenty-Four Thousand Five Hundred Fifty Dollars and Twenty-Six Cents (\$224,550.26) with ePlus Technology, Inc of 13595 Dulles Technology Drive, Herndon, VA 20171.”

Next, Joshua Rosenthal, Director of Operations reviewed the security guard contract. He explained the existing contract is about to expire. They received twelve bids for this contract in comparison to the past, which was roughly only three or four. After careful review, they determined it was between two contractors who fit all qualifications.

Mr. Rosenthal explained they decided to recommend Universal Protection (formerly known as Allied Universal) for the contract. He explained the reasons for this determination included their commitment to diversity, equity, and inclusion (“DEI”) in their employee experience program and their training program and their priority to DEI across their hiring. They had a robust transition plan. We are confident their transition will be seamless. Their cost was \$400,000 less than our current company, Securitas. They have the capability and depth of personnel to fulfill.

Evelyn noted this particular contract can be a controversial one. One issue was equality and labor fair practices. Mr. Rosenthal noted they did thorough reference checks, and their proposal reflected a strong DEI commitment.

Ms. Arana Otiz made a motion to recommend the Board approves this contract. It was duly made, seconded, and voted to approve.

VOTED: “that, the Finance and Audit Committee of the Public Library of the City of Boston recommend the Board of Trustees vote to approve a three-year contract in the amount of Five Million Six Hundred Ninety One Thousand Nine Hundred Eighty Seven Dollars and Sixty Cents (\$5,691,987.60) with Allied Universal Security Services, 580 Harrison Avenue, Boston, MA 02118, for guard and patrol services for the entire BPL System per the Request for Proposal (“RFP”) specifications.”

Sebastian Grzejka, CAIA, Partner at NEPC gave market and portfolio updates. He noted there were three high level things to review. First was a recap of performance from 2023. He noted it was a good year on

an absolute basis. Second was a quick market overview, and last was an asset allocation and rebalancing recommendations.

At the end of the calendar year, the portfolio ended around \$68 million in the fund, with a return of approximately 12%. He pointed out that “Magnificent Seven” (the largest corporations in the world that happen to be concentrated in the global markets) supported broader index returns as stronger than expected earnings strengthened performance. Overall large cap exposure, driven by the S&P 500 helped returns for the year and fixed income managers provided sound absolute returns and yield for the year.

Mr. Grzejka reviewed the current market outlook, which saw resilience but strong growth numbers overall. He noted 2024 market themes, and NEPC’s market outlook.

He explained the current allocation is structured to utilize a balanced, total return approach. NEPC recommended minor adjustments. The target looks to adjust exposure towards areas of market opportunities, through rebalancing. They hoped to increase global equity with strong active management, therefore, recommended adding a complementary manager to Impax.

The committee discussed and agreed to rebalancing within categories and to the fund the annual distribution of \$3.8 million. They needed to change policy allocations at the category level and add an additional Global Equity Manager which would require a vote. Mr. Grzejka said he would run a global equity search and would plan to come in May with a full recommendation.

There was no new business or public comment. With no further business, the meeting was adjourned at 9:24 a.m.

Respectfully Submitted,

Pamela R. Carver, Clerk of the Board