

BOARD OF LIBRARY TRUSTEES MEETING**December 8, 2015 – 7:30 p.m.****New Carrollton Branch****Minutes**

The meeting of the Board of Library Trustees was held on Tuesday, December 8, 2015 at the New Carrollton Branch.

Board Members Present

Sylvia Bolivar, President
Dr. Christy Wright, Vice President
Mark Polk, Esq.

Prince George's County Memorial Library Attendees

Kathleen Teaze, CEO
Michael Gannon, COO of Support Services
Michelle Hamiel, COO of Public Services
Koven Roundtree, Director of Human Resources
Robin Jacobsen, Director of Community Engagement
Macolin Khem - Business Intelligence Analyst
Sarah Palmer - Librarian III
Jessica Freeman, Executive Assistant

Absent: Sam Epps, IV, Rey Robles

- Welcome and Call to Order: 7:43PM
- Dr. Wright made a motion to approve the October 20, 2015 Board of Library Trustees meeting minutes pending correction of typographical errors. The motion was seconded by Mr. Polk. The minutes were approved with a unanimous vote.
- **New Business: Audit Report – Glendora Hughley, Murphy & Murphy LLC**

Murphy & Murphy, CPA, LLC's responsibility was to express opinions on the financial statements of Prince George's County Memorial Library System based on their audit. Murphy & Murphy conducted their audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that Murphy & Murphy plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

Ms. Hughley reported that due to the enactment of Governmental Accounting Standards Board (GASB) Statement No. 68 the Library must reflect that proportion share of the Net Pension Liability. The scope of Statement No. 68 addresses accounting and financial reporting for pensions that are provided to the employees of state and local governmental employers through pension plans that are administered through trusts and share common characteristics. The Library implemented GASB No. 68 (Accounting and Financial Reporting for Pensions) effective year ending June 30, 2015. The Library has restated beginning net position to retroactively record the June 30, 2014 net pension liability in the amount of \$1,357,437. The Library's net position is \$1,397,700.00. Moving forward the Library will reflect this net pension liability as opposed to years past where this amount was reflected on the books of the County.

Regarding the statement of revenues, expenditures and changes in fund balances, there was a net change in fund balance of \$406,980 which was balanced by a transfer from assigned funds in the amount of \$741,689.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Murphy & Murphy's audit of PGCMLS was not intended to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during their audit they did not identify any deficiencies in internal control that they consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

As part of obtaining reasonable assurance about whether the Prince George's County Memorial Library System's financial statements are free from material misstatement, Murphy & Murphy performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. The results of their tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

During Murphy & Murphy's audit they noted a large number of voided checks. Unusually large numbers of voided or out of sequence check numbers could be an indicator of fraud. It was determined that the finance department's accounting system printed additional remittance advices on subsequent check stock whenever the vendor check's remittance advice could not contain all the invoice information. The result was numerous voided checks used only to print additional remittance advices. Murphy & Murphy suggested that the finance department change the accounting system setting to prevent printing additional remittance invoices on subsequent check stock. The finance department will manually print any necessary additional remittance advices on blank paper and attach to vendor check. The finance department has implemented the suggestion.

Dr. Wright made a motion to approve the FY 2015 Audit report and Mr. Polk seconded the motion. The Board approved the FY 2015 audit report with a unanimous vote.

- **Nomination Committee – Sam Epps, Nominations Chair**

Although Mr. Epps was not in attendance Mr. Polk reported that Dr. Christy Wright has been tentatively nominated for the President of the Board of Library Trustees. The Vice President position is still under Board discussion. The Board intends to vote on a slate at the January Board Meeting.

- **PGCMLS Foundation Update – Mark Polk, Esq., Chair**

The *Bridging the Gap* event on November 18, 2015 was hosted at the Oxon Hill Branch. The event attracted a number of judges, attorneys, and police department representatives as panelists. Associate Judge Herman C. Dawson, Prince George's County Circuit Court, 7th Judicial Circuit offered representatives from his office participate in the *Bridging the Gap* program moving into the new year.

Beginning in January, the Foundation will host financial literacy programming, along with partners at SunTrust Bank, through April 2016 throughout the branches. This programming will be advertised in early January.

Mr. Polk also thanked many of the staff from the Administrative Offices for their support and aide in advertising the *Bridging the Gap* event.

- **Financial Status Report – Kathleen Teaze, CEO**

President Bolivar acknowledged receipt of the financial statements.

CEO Teaze relayed that the interim CFO, Jim McGill's contracted time with PGCMLS has ended and so he is not in attendance of the evening's Board meeting although he has prepared the Operating Budget Status Report that is included in the Board's packets. However, the Controller, Dereje Salehudres was available to answer any questions.

The members of the Board did not have questions regarding the Financials.

- **Chief Executive Officer Report – Kathleen Teaze, CEO**

Strategic Planning Process – Clark Swanson, Chairman & Founder of Orange Boy Inc.

The strategic plan seeks to determine how PGCMLS leverages on these strengths. In particular, it focuses on:

1. Reading Skills
2. Technology Access
3. Workforce Skills Development

With those three areas, the Library is supporting the efforts of the County as well.

Market Penetration

Of all of the households in Prince George's County, 40% of those households have at least one active Library card; this is also known as market penetration. The median market penetration for other Library clients of Orange Boy utilizing the Savannah platform is 37%. The greatest concentrations of households appear to be in areas surrounding the Library system. The sparsest populations of households are in the Southeast corner of the County.

Mr. Polk & Dr. Wright asked if, compared to other cities and trends, if other Library systems see an impact of highway systems on usage as what is being described for PGCMLS? Yes, if there is an established Library branch, there will likely be clusters of households in the area that utilize the branch, according to Mr. Swanson. This information can be used to determine where to build new branches.

Summer Reading Program

School aged children make up 15% of the customers of PGCMLS; however, as a result of the Summer Reading Program, 9,000 new school aged children became Library card holders. The highest concentration of Summer Reading Program sign-ups were in the East and South areas of the County.

COO Michelle Hamiel reported that the branches that were the most successful in registering children in the Summer Reading Program were those that were able to interact with the schools. Fairmount Heights, for example, was able to perform outreach at each school in their area and found great success with that. That branch nearly tripled their participation in the Summer Reading Program.

Dr. Wright inquired as to what the measure of success was for the Summer Reading Program. Mr. Swanson indicated that the measure was individual registration. The Beltsville Academy, Beacon Heights

Elementary, Cooper Lane Elementary, Judge Sylvania Woods Elementary, and University Park Elementary schools had the highest increase of active cardholders after the Summer Reading Program. CEO Teaze indicated this year when participants in the Summer Reading Program registered, they were asked to include their school so PGCMLS was able to track which schools had the highest participation.

Opportunity Analysis

In order to best serve the communities in which PGCMLS branches are located in, the branches have been clustered together in areas; North, South, East, West, and Central.

Area Cluster	Branches
North	Bowie Beltsville Greenbelt Laurel
South	Oxon Hill Accokeek Baden Surratts-Clinton
East	South Bowie Largo-Kettering Upper Marlboro
West	Hyattsville New Carrollton Bladensburg Mt. Rainer
Central	Fairmount Heights Glenarden Hillcrest Heights Spauldings

The South and the East areas are those with the biggest potential for growth in the County in terms of new branches. By median age, the youngest area is the West Area. By median income, the West Area has the lowest in the County while also having the highest population of households where English is not spoken in the home.

The Youth Risk Index uses demographic indicators to predict the level of risk that children will fail to meet 3rd grade reading proficiency standards. It builds additional context for the Library’s current customer trends. The scale is from 0 (no risk of children failing) to 100 (highest risk). Generally, scores below 30 make up a low-risk area. With consideration of the median income, non-English speakers in a household, and the youth risk index there could be opportunities for the Library to offer more workforce development and early literacy programming in the West Area. These programs could be very important to this area.

The CEO reported that aside from Baltimore City, Prince George’s County has the lowest school test scores and in terms of kindergarten-readiness, Prince George’s County is now below Baltimore City. Maryland overall has a high bar to achieve and so Prince George’s County is striving to increase their scores to meet the bar. PGCMLS wants to help support and bolster these efforts.

Prince George's County Statistics

	Prince George's County	North Area	Central Area	West Area	East Area	South Area
Population	894,560	191,806	185,088	243,435	121,538	177,749
Projected Growth 2015-2020	4.49%	4.99%	2.86%	3.56%	6.8%	5.19%
Median Age	36.3	37.4	36.3	31.9	40.5	40.1
Households with person(s) 18 & younger	36.8%	35.46%	36.89%	37.06%	37.83%	37.92%
Non-English spoken at home	21.33%	27.76%	7.6%	39.09%	11.35%	11.43%
Median Household Income	\$73,408	\$ 83,808	\$61,289	\$59,666	\$99,853	\$88,149
Median Housing Value	\$282,391	\$309,315	\$229,746	\$260,814	\$335,705	\$309,731

Customer Survey Results

Of the customers that responded to the survey, 32.6% believe that the greatest challenge facing their community today is keeping teens engaged and involved in positive activities, followed by 23.5% that think that attracting business and approving economic development is the greatest challenge. 19.5% of the respondents also thought that the ability for community members to access resources and services they need without traveling far from their homes is the greatest challenge to the community.

In response to the request for customers to rank the three services that they believe are the most needed among the people living in the community, the majority (34.3%) believed that computer hardware and public spaces for public computer use is the top service. Following computer access, 32.5% of respondents believed that educational resources for pre-school and school aged children is most needed and 30.8% indicated that classes and workshops at Library locations to develop technical skills. There is a need in the community for early literacy programming and focus. The community has also indicated that access to technology and building technological skills are important.

Orange Boy and PGCMLS are using the results customer survey and other indicators to help shape the strategic plan for 2015 – 2020 in order to ensure that the Library is relevant and meets the needs of its customer bases. The process should be wrapping up in March 2016. President Bolivar asked what the measure of the success of the plan is. Mr. Swanson indicated that it could be as simple as another survey of the public's opinion or having meetings to invite the public to share their opinion. President Bolivar requested that as part of the recommendations that Orangeboy look at how we broaden and deepen

community participation in the strategic plan. Ms. Bolivar indicated that there are a great deal of residents in Prince Georges County who do not own computers and rely on the Library System to access the internet. Ms. Bolivar requested that as part of the recommendations that town hall meetings take place to ensure that all residents in the county have an opportunity to provide input on the strategic plan. The Board will have an opportunity to review the strategy matrix prior to approval to show the goals, outcomes, strategy to generate the outcome.

Letter from Maralita (Micki) Freeny

CEO Teaze read aloud a complimentary letter from Ms. Freeny complimenting PGCMLS's children's collection and children's services. (Enclosed)

Friends Book Sales & Withdrawn Books

Dr. Wright reported that at the prior two Board of Library Trustees meetings representatives from some of the Friends of the Library groups had attended and advocated for their receiving not only the donated books but also the withdrawn materials from PGCMLS to sell in order to raise funds. The Board did not make a statement at the meetings regarding the PGCMLS policy but did communicate via letter to the Friends representatives that they should work with the CEO of PGCMLS, Kathleen Teaze, to come to an agreement. Ms. Teaze reported that the Friends met with CEO Teaze on November 19th where language was agreed upon to be included in the MOU. To date, the MOU has not been signed by the Friends.

- **Correspondence Log**

Mr. Polk had questions regarding items 4 and 6 on the Correspondence Log. CEO Teaze indicated that both involve two different legal matters.

In item #4 the County Office of Law has made contact to request any documentations pertaining to a law suit in which the Library has been named a defendant due to an accident that occurred on Library premises. The County attorney has received documents and photographs.

Item #6 was a subpoena from a pro se plaintiff requesting to receive documentation regarding the denial of her application for employment with PGCMLS some years ago.

- **Chief Operating Officer Report – Michelle Hamiel, COO of Public Services**

Beanstack will be PGCMLS's Summer @ Your Library platform and will include Teen and Adult programs. Paper forms will still be available for those who do not or choose not to participate in the online program.

3-D printers can now be found at the Hillcrest Heights, Bowie, and Largo-Kettering branches. Mr. Polk asked if there is a policy in place regarding usage. COO Hamiel indicated that a policy is not in place as staff are just getting customers interested and used to the concept. The printers are currently only available for staff use/printing. Staff are conducting programs to design items with the 3-D printers. Safety instructions have been provided to staff. Mr. Polk requested that PGCMLS contact D.C. Public Library to receive a copy of their policy and procedures as they are well developed. Ms. Hamiel and Mr. Gannon explained that PGCMLS's intention is to only allow staff to utilize the printers rather than customers directly utilizing it.

The Hyattsville branch offered a court record expungement program on October 29th in cooperation with the MD State Bar Association, the MD Hispanic Bar Association, and the Prince George's County Bar Association.

- **Chief Operating Officer Report – Michael Gannon, COO of Support Services**

New Carrollton Closure – Renovations

COO Gannon is waiting on the County’s Office of Central Services to issue a “Notice to Proceed” to the winning bidder. Since the equipment at the branch (i.e., HVAC and elevator) is failing, it has been decided to close the branch effective December 28, 2015 whether or not a Notice to Proceed is issued by the County.

Dr. Wright asked if there will be an alternative site to open while the renovations are being completed. Mr. Gannon indicated that there was not enough funding in the budget to provide for an alternate site for the New Carrollton branch while it is closed for renovation. The County funds alternate sites only when a building is completely torn down and rebuilt, such is the case of the Laurel branch and the Hyattsville branch. The Greenbelt branch will be opening on Sundays in lieu of the New Carrollton branch being open on Sundays. PGCMLS will have this announced on the website, press releases, information provided to PGCPs, and in the branches.

Oxon Hill Branch Closure – Renovations

The Oxon Hill branch was closed on November 23, 2015 for a month for re-carpeting, circulation desk upgrades, painting, and exterior sidewalk repair. The branch will reopen on December 21, 2015.

Dr. Wright asked if there was an alternative site open while the renovations are being completed. Mr. Gannon explained that because it was only a month that the Oxon Hill branch would be closed, it would be cost prohibitive to open an alternative site. Instead, customers received extended renewal dates and materials that they received from that branch were not due during the closure. The book drop remained open so customers could still drop off their items to that branch. Posters and information providing the nearest alternative branches were posted to provide customers another location to use during the closure.

PGCMLS Mobile Application

The new mobile application has been launched and is now available in both the Apple App Store and the Google Play Store for Android based devices. This app is easier for customers to use and is closer to the design of the full website. PGCMLS mobile app, version 2 is out of testing, should be released by the end of the month. Campaign materials (including magnets) are ready for distribution once the app is ready. Users who have already downloaded the app will receive an update.

Introduction of Colin Khem

Colin Khem, Data Analyst was introduced to the Board by COO Gannon.

Laurel Branch Construction

President Bolivar asked for an update on the Laurel Branch construction progress. COO Gannon reported that the contractors are a few weeks behind in the schedule but they will make that up. Substantial completion will be done in July. Re-opening won’t take place at that point but staff will be able to enter the building, books will be delivered to be re-shelved, and furniture will be delivered. The branch won’t open to the public until late October 2016. Pictures are posted of the construction process on PGCMLS’ Flickr account.

Bladensburg & Langley Park Branches

President Bolivar asked for an update on the new Bladensburg and Langley Park Branch locations where there has been a significant amount of community interest. COO Gannon reported that there were facilities studies for land in Bladensburg. A piece of property has been selected for Bladensburg and the County is currently negotiating a purchase agreement with the land owner. The County has negotiated a purchase agreement with the owner for the Langley Park Branch and should be purchased shortly.

Ms. Bolivar asked for the size of each of the branches. Mr. Gannon provided that the Bladensburg Branch will be 20,000 sq. ft. while the Langley Park location will be 30,000 – 35,000 and the site will be shared with the Boys and Girls club who will have 10,000 – 15,000 on the upper floor of the building.

Hyattsville Branch Construction

Ms. Bolivar requested an update on the Hyattsville branch construction project. Mr. Gannon reported that the project is still in the design phase although it is about 65% complete now. Construction documents can go to permitting in February – March 2016.

- **Unfinished Business – Compensation Study**

A meeting was held on November 19th. At that time the consultant, that the Union has contracted to evaluate the compensation study, requested position descriptions that they previously did not have, which were provided to the consultant. During this meeting, CEO Teaze tried to impress upon the Union attendees how important it is to receive their feedback quickly as the FY2017 budget was due to the County by December 1st. PGCMLS did not receive feedback from the Union prior to the December 1st deadline regarding the Compensation Study and have yet to receive the Union's comments to date. The budget was submitted to the County on December 1st without the upgrades to compensation, which means that the compensation study will be three years out of date before any changes in compensation would take place in FY 2018.

Mr. Polk would like to reiterate that the Board is very interested in moving forward expeditiously and will be happy to meet with the Union again if need be.

- **Requests to Address the Board of Library Trustees**

There were no requests to address the Board.

- **Adjournment 9:02 PM**

Prepared by the Executive Assistant

Respectfully Submitted By

Kathleen Teaze

Chief Executive Officer