

**DETROIT LIBRARY COMMISSION PROCEEDINGS
REGULAR MEETING
JUNE 21, 2022**

NOTED

This meeting was held in Main Library's DVD/Media Room. Due to COVID-19 restrictions, seating capacity was limited to the first 25 guests, and seating was arranged to provide social distancing. The meeting was also available via Zoom for virtual attendance.

President Jackson called the Regular Meeting of the Detroit Library Commission to order at 1:35 p.m.

A roll call attendance was taken with the following results:

- | | |
|---------------------|---------|
| ➤ Bellant | Present |
| ➤ Hayden Friley | Present |
| ➤ Hicks | Present |
| ➤ President Jackson | Present |

Commissioner Peterson-Mayberry joined the meeting at 1:53 p.m.

Commissioner Short joined the meeting at 1:57 p.m.

Commissioner Adams attended the meeting virtually at 2:05 p.m.

, however, in compliance with the Open Meetings Act, did not participate.

Administrative Staff: Mondowney, Brown, Bruni, Caruso, Dale, Funchess, Moore, Powell, Norfolk, Simon, Simmons, Williams

Present Also: Janet Batchelder, Cheryl Blessett, Stacy Brooks, Maria Bryson, Enid Clark, Leiann Day, Deborah Dorsey, Katie Dowgiewicz, Jennifer Dye, Kalana Gates, Alexis Griffin, D'Andre Herron, S. Jones, Mary Kordyban, Phil Martin, Tracy Massey, Carolyn Mosley, Angela Newby-Clora, Christine Peele, Nushrat Rahman, Yvette Rice, Heidi Sargis, Ben Smith, James Smith, Brian Vance, Tracey Wyatt

Minutes were approved at the September 20, 2022 Commission Meeting

APPROVAL OF MEETING MINUTES

COMMISSION ACTION

Commissioner Bellant moved approval of the Regular Meeting Minutes of May 17, 2022. Commissioner Hayden Friley supported.

A roll call vote was taken with the following results:

- | | |
|---------------------|-----|
| ➤ Bellant | Yes |
| ➤ Hayden Friley | Yes |
| ➤ Hicks | Yes |
| ➤ President Jackson | Yes |

The minutes were approved as presented.

PUBLIC COMMENTS

There were no public comments.

REPORT OF THE EXECUTIVE DIRECTOR

Mrs. Mondowney reported the following:

Branch Re-openings Update

On July 5, 2022, DPL will begin a phased reopening of the following ten library branches that were closed during the pandemic: Bowen, Chandler Park, Chaney, Douglass, Duffield, Elmwood Park, Franklin, Knapp, Lincoln and Sherwood Forest. They will join Main Library, Campbell, Edison, Jefferson, Parkman, Redford and Wilder library branches, and the Mobile Library in offering a full range of library services to the community.

Staff is working to fill more than 100 positions that became vacant during the course of the pandemic. All library locations have been cleaned and feature new public computers.

Minutes were approved at the September 20, 2022 Commission Meeting

DPL will continue the COVID-19 safety protocol that requires customers to wear a mask. Staff plan to celebrate the reopening of DPL locations in September during National Library Card Sign-Up Month.

Open Now	Mon	Tues	We d	Thurs	Fri	Sat	Sun
Main Library 5201 Woodward Ave. 48202 313-481-1300	10-6	12-8	12-8	10-6	10-6	10-6	1-5 (Oct - May)
Campbell Branch 8733 W. Vernor/Springwells 48209 313-481-1550	12-8	10-6	12-8	10-6	10-6*		
Edison Branch 18400 Joy/Southfield 48228 313-481-1720	12-8	10-6	12-8	10-6	10-6*		
Jefferson Branch 12350 E. Outer Dr./E. Warren 48224 313-481-1760	12-8	10-6	12-8	10-6	10-6*		
mmParkman Branch 1766 Oakman Blvd./Linwood 48238 313-481-1810	12-8	10-6	12-8	10-6	10-6*		
Redford Branch 21200 Grand River/W. McNichols 48219 313-481-1820	12-8	10-6	12-8	10-6	10-6*		
Wilder Branch 7140 E. 7 Mile Rd./Van Dyke 48234 313-481-1870	12-8	10-6	12-8	10-6	10-6*		
Open July 5, 2022	Mon	Tue s	We d	Thur s	Fri	Sat	Sun
Bowen Branch 3648 W. Vernor/W. Grand Blvd. 48216 313-481-1540	10-6	12-8	10-6	12-8	10-6*		
Chandler Park Branch 12800 Harper/Dickerson 48213 313-481-1560	10-6	12-8	10-6	12-8	10-6*		
Chaney Branch 16101 Grand River/Greenfield 48227 313-481-1570	10-6	12-8	10-6	12-8	10-6*		
Elmwood Park Branch 550 Chene/Lafayette 48207 313-481-1730	10-6	12-8	10-6	12-8	10-6*		
Knapp Branch 13330 Conant/E. Davison 48212 313-481-1770	10-6	12-8	10-6	12-8	10-6*		

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Sherwood Forest Branch 7117 W. 7 Mile Rd./Livernois 48221 313-481-1840	10-6	12-8	10-6	12-8	10-6*		
Open July 18, 2022	Mon	Tue	Wed	Thurs	Fri	Sat	Sun
Franklin Branch 13651 E. McNichols/Gratiot 48205 313-481-1740	10-6	12-8	10-6	12-8	10-6*		
Lincoln Branch 1221 E. 7 Mile Rd./Russell 48203 313-481-1780	12-8	10-6	12-8	10-6	10-6*		
Open August 22, 2022	Mon	Tue	Wed	Thurs	Fri	Sat	Sun
Douglass Branch 3666 Grand River/Trumbull 48208 313-481-1707	10-6	10-6	10-6	10-6	10-6		
Duffield Branch 2507 W. Grand Blvd./14th St. 48208 313-481-1710	10-6	12-8	10-6	12-8	10-6*		
*During the school year, (Labor Day to Memorial Day), these locations are open Saturday and closed Friday.							

Closed Branch Libraries – Update

Due to the delay of materials needed to install the new cooling and heating systems, the Chase Branch Library is scheduled to reopen in January, 2023. Also, the Hubbard Branch Library is scheduled to reopen in March, 2023 due to the delay of materials needed to install its new cooling and heating systems. As noted in December, 2021, the Monteith, Conely and Skillman branches are also closed. The Monteith Branch Library has critical capital improvement needs, which include a new roof and boiler, air conditioning, electrical work, refreshing of its public spaces and additional modifications in order to become ADA compliant. The total cost is estimated to be over \$3.3 million. Following a structural assessment of the Conely Branch Library, it has been determined that significant repairs are needed to its basement floor and structural damage along the west and north walls. The Skillman Branch Library, adjacent to the old Hudson's site, will remain closed while major construction activities in the area continue to disrupt parking and access to the building. The completion date was pushed back, with the front portion of the building to be completed by the end of 2023.

Accounting Aid Society

During the busy tax season, the Accounting Aid Society (AAS) asked customers who needed more complex help to wait until after the tax deadline. With this in mind, the

Minutes were approved at the September 20, 2022 Commission Meeting

society is now offering assistance through the summer at Main Library because their offices were affected by the flood of June 2021. AAS volunteers will be at Main Library, on Mondays and Thursdays, 10 am – 6 pm. Appointments are required for service and can be made by calling 313.556.1920 or online at accountingaidsociety.org.

Duke Fakir In- Person Author Series

DPL is pleased to welcome a limited audience in-person, in-doors at Main Library, on Wednesday, June 22, 2022 at 6 p.m., featuring Duke Fakir, author of *I'll Be There: My Life with the Four Tops*.

Kathleen McGhee-Anderson, the book's co-author, will lead a conversation with Mr. Fakir about his years with The Four Tops, Motown's Berry Gordy and his long friendships with the group's members. In-person tickets are no longer available but the event will be live-streamed via Zoom.

Project Art

ProjectArt continues to provide tuition-free art education for children and teens. The 2021-22 display of student and instructor art is installed in display cases along the Cass Avenue corridor until the end of June. On Saturday, July 9, a large sculpture of a boat, created by one of the Detroit ProjectArt instructors, will be displayed on the Cass Avenue side of the building.

New Electronic Resource: Kanopy

Detroit Public Library card holders will soon have free access to another on-demand video streaming service. Kanopy, DPL's newest electronic resource, features more than 30,000 documentaries, popular films and educational videos from producers like PBS and Great Courses. This video streaming service supplements DPL's popular e-media collection of e-books, audio books, music and videos. Access to Kanopy will be available on the Library's website.

Woodbridge Neighborhood Development Corporation Donation

Thanks to a \$5,000 donation from the Woodbridge Neighborhood Development Corporation, the staff at the Douglass Branch Library for Specialized Services, will offer summer programs for children in Scripps Park, adjacent to the Library.

AIG Insurance Payment – June 26, 2021 Flood

On May 23, 2022, the Library received the balance due in the amount of \$940,918.65 from our insurance provider, AIG, for the initial "Statement of Loss" for Main Library, and

the Bowen, Chandler Park, Conely, Duffield, Edison, Knapp, Monteith, Parkman, Redford and Richard branches, sustained during flooding on June 26, 2021.

Kukla-Scheibner Fund

On June 7, 2022, the Library received a payment of \$1,399.50, the first of two annual endowment payments from the Kukla-Scheibner Fund. These funds are used to enhance the Clarence M. Burton Historical Collection.

Wayne County

On May 20, 2022, DPL received a payment of \$84,093.65 from Wayne County for delinquent property taxes.

COMMITTEE ON ADMINISTRATION

Approval of the Revised Credit Card Policy

Detroit Public Library Credit Card Policy

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Detroit Public Library Credit Card Policy
Policy Number: 300.B.008
Commission Approved Date: December 15, 2009
Revised:

1.0 Policy Statement

This policy is established for Detroit Public Library (DPL or Library) employees, whom by the nature of their work, are required to use a DPL-issued credit card for DPL business. The Executive Director may designate other employees to be issued a DPL credit card, including employees in the Director's Office, the Marketing Department, the Technical Processing Department, Financial & Business Operations, Procurement Department, Facilities, Human Resources, Security Office, Public Service, and Information Technology (IT). All DPL employees eligible for a DPL credit card must submit a written application for approval by the Executive Director.

Credit card transactions by DPL employees are authorized and regulated by the Michigan Credit Card Transactions Act (the "Act"), MCL. 129.241-129.247. All use of DPL credit cards must be in accordance with the Act and the DPL Credit Card Policy. Any use of a DPL issued credit card in violation of this Policy or the Act may result in suspension of cardholder privileges and/or discipline up to and including discharge.

2.0 Purpose

DPL maintains credit cards for Library-related purposes only. All purchases must be for the benefit of DPL.

This Policy establishes guidelines for appropriate use of DPL credit cards. The Policy is designated to clarify DPL credit card use and to avoid violation of state mandates and IRS codes regarding credit card use.

A DPL credit card shall only be used to purchase goods and services for official business of the Library. The purpose of the credit card is for payment of low volume purchases as authorized by the Executive Director. It will be used for vendors that do not invoice or accept purchase orders or where it is not possible or practical to establish a store account. The credit card will provide a convenience to authorized users by minimizing the need to place authorized purchases on personal credit cards, while maintain strict accountability for the Library. Any credit card used for personal business with a sincere intention of reimbursing DPL is strictly prohibited.

3.0 Authority and Responsibilities

- 3.1 **The Executive Director-** authorizes the issuance and use of credit cards. Approves individual credit card limitation for each authorized credit card.
- 3.2.1 **Financial and Business Operations-** is responsible for (1) processing the online credit card application with the financial institution, (2) delivering the credit card to the authorized cardholder upon receipt, and (3) monitoring monthly credit card activity.
- 3.2.2 The Finance and Business Operations shall retain approved credit card statements and accompanying receipts of file in accordance with Michigan state law.
- 3.2.3 The Finance and Business Operations shall pay the balance of all DPL credit cards within no more than 30 days of the initial statements and avoid finance charges.
- 3.3 The cardholder is responsible for reviewing monthly credit card statement for accuracy and must ensure that posted entries are valid and are legitimate. The cardholder is responsible for the security of the credit card and any purchases made on the card. The cardholder responsibility is to retain original receipts for goods and services purchased. The cardholder is responsible for taking steps to ensure that the card is used only for authorized purposes.

4.0 Payment on Account

- 4.1 Cash Advances-DPL prohibits the use of a DPL credit card for cash advances.
- 4.2 Credit Limit-The total combined monthly authorized credit limit of all credit cards issued by the Library shall not exceed the amount authorized by the Executive Director. One single credit card transaction may not exceed \$10,000.
- 4.3 Tax Exempt Status- Credit cardholders must notify vendors that DPL is exempt from sales tax, and provide the seller with a copy of the certification of the DPL's sales tax-exempt status (see attachment 3).

4.4 Substantiate purchases - All purchases require specific documentation to substantiate that it is a proper purchase. The following documentation must accompany all credit card purchases:

- a. Itemized receipts (for reconciliation of credit card statements)
- b. Documentation describing the goods or services purchased, the date of the purchase, and the official business for which purchased.

4.5 Reconciliation Timeline- Financial & Business Office Operation must generate monthly credit card statements from the financial institution website and distribute them to each cardholder. The cardholder must perform monthly reconciliations to ascertain the accuracy and validity of purchases and withdrawals. Cardholders are responsible for following-up on erroneous charges, returns or adjustments and to ensure proper credit is received on credit card accounts, including full credit of merchandise returned to a vendor.

5.0 Security of DPL credit cards

5.1 Secure Credit Card- All DPL credit cards must be kept in a secure location.

5.2 Use by Unauthorized Person- The only person entitled to use the credit card is the person whose name appears on the face of the card or the person authorized by the Executive Director.

5.3 Lost or Stolen Cards- If a DPL credit card is lost or stolen the cardholder must immediately notify (1) the financial institution, (2) the Assistant Director for Financial & Business Operations. The financial institution will close the account if the credit card is Lost or Stolen.

5.4 Return Cards- If for any reason the person authorized to use a DPL credit card is reassigned, no longer employed by the Library or it is otherwise requested, the DPL credit card must be returned to the Assistant Director of Finance and Business Operations immediately.

6.0 Other

6.1 Any benefits, such as award promotion, derived from the use of the DPL credit card shall be the property of the Detroit Public Library.

6.2 DPL Executive Director may suspend or cancel cardholder privileges at any time for any reason.

7.0 State Law

Notwithstanding the terms of this Policy, all charges made pursuant to this Policy shall also be subject to the terms of the Act. This Policy is issued in accordance with such Act, and nothing herein shall be deemed to supersede the provisions of such Act. In the event of any discrepancy between this Policy and the Act, the Act shall be controlling.

8.0 Related Policies

The Credit Card Policy is linked to the Conflict of Interest Policy, Code of Ethics, Disclosure of Information and Purchasing Policy.

Attachments

1. Signature Page
2. Application
3. DPL sales tax exempt status form

COMMISSION ACTION

Commissioner Bellant moved approval of the revised credit card policy. Commissioner Hayden Friley supported.

DISCUSSION

Commissioner Hicks asked what was the rationale of raising the credit limit from \$3,000 to \$10,000?

Commissioner Hayden Friley stated this was discussed at the June 16, 2022 Committee on Administration meeting and it was agreed that \$10,000 was appropriate for expenditures such as book purchases and the Facilities Department purchases and repairs. It was also noted that none of the DPL's credit cards had a limit over \$10,000.

Commissioner Hicks requested a copy of the Committee on Administration meeting documents.

Minutes were approved at the September 20, 2022 Commission Meeting

President Jackson said the information would be accessible to him and he would need to arrange a time with staff to review the information.

A roll call vote was taken with the following results:

- | | |
|---------------------|-----------|
| ➤ Bellant | Yes |
| ➤ Hayden Friley | Yes |
| ➤ Hicks | No |
| ➤ Peterson-Mayberry | Abstained |
| ➤ President Jackson | Yes |

The motion passed.

Approval of the Revised Fraud Policy

Detroit Public Library Financial and Business Operations FRAUD POLICY

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17.0	RELATED POLICIES

Fraud Policy Statement
Policy Number: 300.B.007
Commission Approval Date: December 15, 2009
Revised:

1.0 PREMISE

The Detroit Public Library (the “Organization”) is committed to the highest standards of moral, legal, and ethical behavior; these standards are outlined in the Organization’s Code of Ethics Policy Statement. All members of the Detroit Public Library community have a responsibility for the stewardship of the Organization’s resources.

Internal control and operating procedures are intended to protect the Organization’s assets and interests by detecting or preventing improper activities. However, there are no absolute safeguards against willful violations of laws, regulations, policies or procedures.

2.0 INTRODUCTION

The objective of this policy is to safeguard the proper use of the Organization’s finances and resources. The Library derives much of its income from public funds, benefactors and charitable organizations, and has a particular responsibility to ensure that income and resources are used solely for the purposes intended.

Fraud is a serious matter and Detroit Public Library’s Board of Commissioners is committed to investigating all cases of suspected fraud. Any member of staff regardless of their position or seniority, against whom prima facie evidence of fraud is found, will be subject to disciplinary procedures that may result in dismissal.

The Library is committed to an effective anti-fraud and corruption strategy designed to encourage prevention, promote detection and clarify responses through a defined plan, which incorporates investigatory action.

3.0 DEFINITION OF FRAUD

For the purpose of this policy, fraud is defined as dishonest, irregular or illegal acts, characterized by deliberate intent at concealment of false representation, resulting in the diversion of resources, whether or not for personal gain, for the benefit of an individual or group of individuals at a consequent loss to the Organization. Examples of fraudulent acts include, but are not limited to the following:

- Embezzlement
- Forgery or alteration of documents
- Unauthorized alteration or manipulation of computer files
- Fraudulent financial reporting
- Misappropriation or misuse of the Organization's resources (e.g. funds, supplies, equipment, facilities, services, inventory, or other assets)
- Authorization or receipt of unearned wages or benefits
- Conflict of interest, ethics violation
- Gaining an advantage, personally and for family or friends
- Causing financial loss to the Organization

3.1 The main types of irregularities are:

- Theft – This may include the removal or misuse of funds, assets or cash
- False accounting – dishonestly destroying, defacing, concealing or falsifying any account, record or document required for any accounting purpose, with a view to personal gain or gain for another, or with the intent to cause loss to the Organization or furnishing information which is or may be misleading, false or deceptive
- Abuse of position – abusing authority and misusing the Organization's resources

The Library's Financial Regulations defines the Organization's control to minimize the risks of the above occurring.

3.2 Examples of fraud, which are neither exclusive nor exhaustive, include the following:

- Misappropriation of cash e.g. theft of cash from cash boxes, cash registers, vending machines, copies, or from social funds
- Theft of stock
- Fraudulent encashment of payable orders or checks
- Misappropriation of other assets including information and intellectual property. This would also include theft of stationery for private use, unauthorized use of the Organization's property, e.g. vehicles, computers, other equipment.
- Purchasing or purchase ledger fraud (e.g. approving/paying for goods not received, approving/paying bogus suppliers, approving/paying inflated prices for goods and services, accepting any bribe)
- Travel and subsistence claims overstated or falsely claimed. This may include advances not recovered or forging of counter signatories.

- Accepting pay for time not worked (e.g. false claim for hours worked, failing to work full contracted hours by any member of staff, false overtime claims or falsification of sickness self-certification)
- Computer Fraud (e.g. alliterating or substituting records, duplicating or creating spurious records, or destroying or suppressing records)

3.3 The circumstances below represent warning signs that may indicate fraud, and should therefore put managers and staff on alert. These examples are not conclusive:

- Altered documents (correcting fluid, different pen or handwriting)
- Changes in normal patterns of cash taking or travel claim details
- Text erratic or difficult to read with details missing
- Detail in completion or submission of expense or travel forms
- Lack of vouchers or receipts in support of expenses claims, etc.
- Staff choosing not to take annual leave (and so preventing others from becoming involved in their work), especially if solely responsible for a “risk” area
- Complaints from public or staff
- Always working late
- Refusal of promotion
- Insistence on dealing with a particular individual

4.0 CULTURE

4.1 The Library expects that all members of the staff will act with integrity regarding the accountability of the organization’s resources. It is further expected that staff will adhere to rules, procedures and practices that are above reproach. The Library also expects that all individuals and organizations that it comes into contact with will treat the Library with integrity, and without thought or actions involving fraud or corruption.

4.2 The Library is determined that the culture and tone of the organization is one of honesty and opposition to fraud and corruption. The Library is aware of its high visible position within the community and the fact that a variety of bodies are familiar with our affairs. Thus, and therefore, there is an ever-present need for the leadership and the staff to conduct all matters with integrity and propriety.

4.3 The Commissioners and all staff of the Library are an important element in its stance on fraud and corruption and they are positively encouraged to raise any concerns that they may have on these issues when they are associated with Library business or activity. Such concerns can be raised in the knowledge that they will be treated in confidence and properly investigated.

Concerns can be raised with managers, senior management, the President of the Commission, the Chair of the Audit Committee or directly with the Library's Auditor. Where incidents are reported to the Chief Financial Officer (CFO) action will be taken in line with the provisions outlined in the Library's Fraud Response Plan. Relevant phone numbers are as follows:

- Chair of Audit Committee 313-481-1302
- Chief Financial Officer (CFO) 313-481-1310

4.4 In addition to concerns raised by the Commission, staff, members of the public and others coming in contact with the Library are encouraged to report concerns through the above channels. (Staff members making unfounded and malicious accusations will be subject to serious disciplinary actions.)

4.5 The Library will deal swiftly and thoroughly with all cases of fraud and corruption consistent with the Fraud Response Plan approved by Commission.

5.0 Prevention

5.1 Library administration and all levels of management are responsible for maintaining a system of internal controls, which prevents, detect, or deter fraudulent or dishonest conduct. Each member of the DPL Cabinet is expected to recognize risks and exposures inherent within his or her area of responsibility and to be alert for any indication of irregularity. Cabinet members should contact the Audit Committee of the Commission as soon as fraud is suspected.

5.2 Any employee who is aware of fraud and does not report fraud in a responsible time frame will be subject to disciplinary actions. Employees who report suspected fraudulent activity will be protected from reprisal or retaliatory action as stated in the Whistleblowers Protection provisions. Whistleblowers should not confront the individual under suspicion or initiate investigations on their own. Such action may compromise any ensuing investigation and violate the rights of the individuals accused of fraudulent conduct.

IMPORTANT: All claims of fraudulent activities must be made in good faith. Baseless allegations, made with disregard for truth or accuracy, or frivolous complaints will not be tolerated. People making such allegations may be subject to institutional disciplinary action and/or legal actions by the individuals accused of fraudulent conduct.

5.3 The Library takes steps to ensure that the behavior of the Commission, its Committees and senior managers is always demonstrably selfless and clear policies exist in respect of:

- Commercial ethics
- Registration and declaration of interests
- Accepting of hospitality and gifts, and
- Prosecution of offenders

(See Fraud Response Plan below – section 8.0)

5.4 Employees are expected to follow any Code of Ethics Policy as established by the Organization.

5.5 The Library's Audit Committee provides an independent and objective view of internal controls by overseeing External Audit Services. It includes reviewing reports, systems and procedures to ensure compliance with the Organization's Financial Regulations.

5.6 Where new systems are being introduced or existing systems modified, the Audit Committee is involved in the development and advise management on ways of preventing or detecting fraud or ensuring internal controls.

5.7 The review of the Library's systems by the Audit Committee is designed to deter attempted fraud and should result in continuous improvements in control. The risk of fraud is a factor in all audit plans and in particular the frequency of audits. The External Auditor's review of financial checks and balances and validation testing provides a further deterrent to fraud and advice about system development/good practice.

5.8 Staff recruitment is required to be in accordance with approved organizational procedures established by the Committee on Administration of the Commission and administered by the Human Resource Department. References and essential qualifications should be checked and validated prior to the appointment, particularly for positions with financial responsibility.

5.9 Potential recruits are also required to declare any connections with existing Library Officers or members of staff. (Members of recruitment panels are also required to declare such connections).

5.10 Employees are expected to familiarize themselves with the Organization's policies located in OneDrive.

6.0 DETECTION

- 6.1** While it is accepted that no system of preventative measures can guarantee that frauds will not occur, the Detroit Public Library has in place detection measures to highlight irregular transactions.
- 6.2** All internal management systems are designed with detective checks and balances in mind and this approach is applied consistently utilizing, whenever possible, the expertise and advice of organizational auditors. The approach includes the need for segregation of duties, reconciliation procedures, the random checking of transactions and the review of management accounting information including exception reports.
- 6.3** Concerns expressed by staff, contractors etc., which are expressed in good faith will, as a matter of course, be looked into by the Library without adverse consequences for the complainant in line with guidance from the Library's Audit Committee and consistent with the provision inherent to the Whistleblower Act.
- 6.4** The Library views its preventative measures by management coupled with sound detective checks and balances (as indicated number # 2 above), as its first line of defense against fraud. Audit activity is, however, an important defense mechanism also and Auditors may be required to use special techniques on occasions to identify fraudulent transactions.

7.0 WHISTLEBLOWER PROTECTION

- 7.1** The Library cannot guarantee confidentiality, but generally, the whistleblower's identity will not be disclosed unless (1) the person agrees to be identified, or (2) identification is required by legal proceedings.
- 7.2** The whistleblower may not be dismissed from employment for making a report of fraud or misconduct; have salary increases or employment related benefits withheld; be transferred or reassigned; be denied a promotion that the employee would have otherwise received or be demoted, penalized, or threatened in any way.
- 7.3** Whistleblowers who believe they have been retaliated against may file a written complaint with the Chair of the Audit Committee. A proved complaint of retaliation shall result in disciplinary action, up to and including dismissal, against the retaliating person.

- 7.4** Library employees enjoy whistleblower protection under the Whistleblowers Protection Act.

8.0 INVESTIGATIONS

- 8.1** The Library recognizes the unpredictability of fraud or irregularity and the disruption which it may cause once identified. It recognizes also the need to safeguard its assets, recover losses and secure evidence for legal and disciplinary processes.
- 8.2** In order to meet these objectives and to clarify its approach when fraud is suspected, the Library has a Fraud Response Plan, which addresses:
- a) Requirement of all Library staff to report suspected fraud or irregularity to the Chief Financial Officer (CFO)
 - b) Public interest disclosures procedures (“whistleblower’s charter”)
 - c) The carrying out of planned audit activity
 - d) The carrying out of proper procedures
- 8.3** All actual or suspected incidents should be reported without delay to the Chief Financial Officer (CFO). The CFO will advise the Executive Director and the Director of Human Resources. A meeting of the four Executive Leader Team (E.L.T.), will be held within 24 hours to decide on the action to be taken. In the event that one of the four E.L.T. members of the Convening Group is being accused of fraud, a member of the Audit Committee will replace the accused member.

Four members of the Convening Group

- i. Executive Director
 - ii. Chief Financial Officer (CFO)
 - iii. Director of Human Resources
 - iv. Director of Public Services
- 8.4** The Chief Financial Officer (CFO) will advise the Executive Director of the incident(s) and the action to be taken by the Convening Group. The action taken will normally result in an independent investigation being commissioned through the special engagement of the Library’s Auditors.

The decision by the Convening Group to initiate a special investigation shall constitute authorization to the Auditors to use time provided in the audit plan for special investigations, or contingency time or to switch audit resources from planned audits. Where insufficient time is available within the existing audit plan then the CFO will arrange for a separate engagement to be commissioned.

The audit investigation will be conducted in a professional manner aimed at ensuring that the current and future interests of both the Library and the suspected individuals are protected (suspicion must not be seen as guilty until proven). The Library will use every measure to protect the identity of notifying employees and not to release the source of information at any time during the investigation unless required to do so by statutory or professional obligation (information may be provided to a court if legal proceedings are necessary).

9.0 PREVENTION OF FURTHER LOSS

- 9.1** When the initial investigation provides reasonable grounds for suspecting a member or members of staff of fraud, the Convening Group will decide how to prevent further loss. This may require suspension of the suspects. It may be necessary to plan the timing of the suspension to prevent the suspects from destroying or removing evidence that may be needed to support disciplinary or criminal action.
- 9.2** Under these circumstances, the suspect(s) will be approached unannounced, and they should be supervised at all times before leaving the Library's premises. They will be allowed to collect personal property under supervision, but should not be able remove any property belonging to the Library or to access a computer. Any security passes and keys to the premise, offices and furniture must be returned to the Library. Laptop computers and associated disks must also be returned.
- 9.3** The Detroit Public Library Security Administration will advise on the best means of denying access to the Library in the event the suspects remain suspended (for example by changing locks and informing security staff not to admit the individuals to any part of the premises). Similarly, the Information Technology (IT) Administrator will be instructed to withdraw, without delay, access permissions to the Libraries computer systems.

- 9.4** The organization's auditors will consider whether it is necessary to investigate systems (other than that which has given rise to the suspicion) through which the suspect may have had opportunities to misappropriate the Library's assets.

10.0 ESTABLISHING AND SECURING EVIDENCE

- 10.1** The major objective of any fraud investigation will be the punishment of the perpetrators, to act as a deterrent to other personnel. The Library will follow disciplinary procedures (as set out in the Guidelines and Statutes of Library Policy) against any member of staff who has committed a fraud. Careful consideration will be given to the nature of disciplinary action. Public interest will be taken into consideration.
- 10.2** When it is decided not to involve the police, then the Chief Financial Officer (CFO) will advise the Audit Committee of the reason.
- 10.3** The Library's Auditors will:
- a) Maintain familiarity with the Library's disciplinary procedures to ensure that evidence requirements will be met during any fraud investigation.
 - b) Establish and maintain contact with the police where necessary and after notifying the Chief Financial Officer (CFO) of the intention to do so (in view of the public interest this will happen on most occasions of fraud).
 - c) Ensure that audit staffs involved in any fraud investigation are trained in the evidence rules for interviews under Forensic Auditing.
 - d) Ensure that staff involved in fraud investigations are familiar with and follow rules on the admissibility of documentary and other evidence in criminal proceedings.

11.0 RECOVERY OF LOSSES

- 11.1** Where significant fraud is suspected the Convening Group will arrange for the police to be informed and, when necessary, Detroit Public Library's attorney's to be informed (after first advising the Executive Director of the proposed action).
- 11.2** When it appears the loss may be substantial (i.e. \$5,000 or more) legal advice will be obtained without delay about the need to freeze the suspect's assets through the courts, pending the conclusion of the investigation.

Legal advice will also be taken about the prospects for recovering losses through the civil courts where necessary. The Library would normally expect to recover costs in addition to the losses identified.

- 11.3** If appropriate, the Chief Financial Officer (CFO) will serve as the primary liaison with the Library's insurers and insurance consultants to formulate a claim.

12.0 REFERENCES FOR EMPLOYEES DISCIPLINED OR PROSECUTED FOR FRAUD

- 12.1** The Library requires that any request for a reference for a member of staff who has been disciplined or prosecuted for fraud will be referred to the Director of Human Resources. The Director of Human Resources will prepare references.

13.0 REPORTING TO CHAIRS OF COMMISSION AND THE AUDIT COMMITTEE

- 13.1** Any incident involving significant fraud (as defined in paragraphs 11 to 11.3 above) will be reported without delay to the President of the Commission and the Chair of the Audit Committee. Similarly, any variation from the (Commission's) approved Fraud Response Plan shall be reported promptly to the President of the Commission and the Audit Committee.
- 13.2** Upon completion of a special investigation, a written report shall be submitted to the Audit Committee containing:
- a) A description of the incident(s), including the value of any loss, the people involved and the means of perpetrating the fraud.
 - b) The measure taken to prevent a recurrence.
 - c) Any action needed to strengthen future responses to fraud, with a follow-up report on whether any actions have been taken.
- 13.3** This report will normally be prepared by the Library's Auditors or the Chief Financial Officer (CFO)

14.0 REPORTING LINES

- 14.1** Following the identification of significant fraud (see paragraph 6.2) the Convening Group (see paragraph 8.3) will provide (as soon as possible) a confidential report to the President of the Commission, the Chair of the Audit Committee, and the Audit Partner.

Further, monthly updates will be provided unless the report recipients request a lesser frequency (such updates may include involvement of the Library's legal advisers). The scope of the report shall include:

- a) Quantification of losses identified.
- b) Progress with action for recovery of losses.
- c) Progress with disciplinary action.
- d) Progress with criminal action.
- e) Estimate of resources required to conclude the investigation.
- f) Actions taken to prevent and detect similar items.

14.2 A final report will be produced once the independent investigation is completed and it will represent the definitive document on which management (in a disciplinary situation) and possibly the Police (in a criminal situation) will base their decision. The report should include:

- a) How the investigation arose.
- b) Who the suspects are.
- c) The position of the suspects in the Library and their responsibilities.
- d) How the investigation was undertaken.
- e) The fact and evidence which were identified.
- f) Summary of findings and recommendations both regarding the fraud itself and any additional work required on the system weaknesses identified during the investigation.

15.0 RESPONSIBILITY FOR INVESTIGATION

15.1 All special investigations will normally be led by the Library's auditors. The Convening Group will commission the work and the Auditors will report to the Chief Financial Officer. Management will not undertake special investigations, although management should cooperate with requests for assistance from the Auditors.

- 15.2 Should a special investigation require the use of technical expertise, which the Auditors do not possess, the Convening Group may approve the appointment of external specialists to lead or contribute to the special investigation.

16.0 REVIEW OF FRAUD RESPONSE

- 16.1 This plan will be reviewed regularly (at least every two years) for fitness of purpose by the Chief Financial Officer or after each use. Any need for changes shall be reported to the Audit Committee for approval.

17.0 RELATED POLICY

The Fraud Policy Statement and Response Plan links to the Conflict of Interest, Code of Ethics, Credit Card, Disclosure information and Procurement Policies.

COMMISSION ACTION

Commissioner Hayden Friley moved approval of the revised fraud policy. Commissioner Peterson-Mayberry supported.

DISCUSSION

Commissioner Hicks expressed his concerns about only the President and the Chair of the Audit Committee receiving a report of suspected fraud instead of the full Commission. He asked if the policy discouraged employees from reporting suspected fraud to other Commissioners.

Mr. Antonio Brown, Chief Financial Officer, said that this policy does not discourage any employee from reporting suspected fraud to anyone. Commissioner Hayden Friley stated that the policy was discussed at the June 16, 2022 Committee on Administration and any employee reporting suspected fraud would be covered by the whistleblower protection. In the chain of command, the President of the Commission serves as the spokesperson for the Commission, therefore, any information given to the President should be shared with the other Commissioners.

A roll call vote was taken with the following results:

- | | |
|---------------------|-----------|
| ➤ Bellant | Abstained |
| ➤ Hayden Friley | Yes |
| ➤ Hicks | No |
| ➤ Peterson-Mayberry | Yes |
| ➤ Short | Yes |
| ➤ President Jackson | Yes |

The motion passed.

Approval of the Routine Human Resources Report

The Human Resources Department Report provides information regarding personnel actions taken from May 1, 2022 through May 31, 2022. These actions have been approved by Administration.

APPOINTMENTS (2)

Employee Name	Title	Hire date
Jermaine Byas	Security Officer	May 30, 2022
Stephen Boboige	Electrician	May 30, 2022

RETIREMENTS (3)

Employee Name/Title	Title	Last Day Worked	Retirement Date
Glenda Cornelious	Administrative Assistant2	May 3, 2022	Determined by COD
Christopher Embry	Chief Refrigeration Equipment Operator	May 20, 2022	Determined by COD
Joyce Owens	Librarian II	May 23, 2022	Determined by COD

SICK LEAVE PAYOUTS (0)

TOTAL PAYOUTS = (2)

POTENTIAL RETIREMENTS (3) Pending COD Approval

Employee Name	Title	Last Day Worked
Robert Miller	Security Officer	July 22, 2022
Ronald Bryant	Supervising Security Officer	September 9, 2022
Gale Henderson	Librarian III	September 2, 2022

Minutes were approved at the September 20, 2022 Commission Meeting

SEPARATIONS (3)

Employee Name	Title	Last Day Worked
Meghan McGowan	Librarian II	May 4, 2022
Adam Pecar	Librarian I	May 26, 2022
Traci Hearn	Information System Support Spec	May 31, 2022

EMPLOYEE HEADCOUNT

Headcount	May 2022	Headcount	May 2021
Budgeted Positions =	325	Budgeted Positions =	325
Active Employees =	172	Active Employees =	124
Furlough Employees =	11	Furlough Employees	103
Vacant Positions =	142	Vacant Positions =	98

VACANT POSITIONS

POSITION	# OF BUDGETED POSITIONS	# OF FILLED POSITIONS	VACANT POSITIONS
Assistant Director	6	4	2
Manager	26	20	6
Librarian III	29	23	6
Librarian I & II	24	6	18
Facilities	17	11	6
TTA	17	11	6
Customer Service Representative	92	22	70
Senior Customer Rep (Clerk)	24	14	10
Branch Custodians	12	4	8
Senior Accountant	2	1	1
Security	16	12	4
Office Support Assistant	11	10	1
Technical Services Assistant	4	3	1
Sr Dup Devices Operator	1	0	1
Principal Clerk (Shipping Sup)	1	0	1
Administrative Assistant	6	5	1
Total			142

COMMISSION ACTION

Commissioner Hayden Friley moved approval of the routine Human Resources report.
Commissioner Peterson-Mayberry supported.

Minutes were approved at the September 20, 2022 Commission Meeting

A roll call vote was taken with the following results:

- Bellant Yes
- Hayden Friley Yes
- Hicks Yes
- Peterson-Mayberry Yes
- Short Yes
- President Jackson Yes

The motion passed unanimously.

Approval of the Calendar of Library Closings and Schedule Changes 2022- 2023

CALENDAR OF LIBRARY CLOSINGS AND SCHEDULE CHANGES 2022 – 2023

July 4, 2022 (Monday)	Independence Day holiday (all locations closed)
September 5, 2022 (Monday)	Labor Day holiday (all locations closed)
September 9-10, 2022 (Friday-Saturday)	Fall schedule begins: branches closed Fridays, open Saturdays.
October 2, 2022 (Sunday)	Sunday schedule begins at Main Library
October 5, 2022 (Wednesday)	Staff Development Day (all locations closed)
November 11, 2022 (Friday)	Veterans Day holiday (holiday for Main Library & support agencies, branches closed per regular schedule)
November 12, 2022 (Saturday)	Veterans Day designated holiday for branches (which are normally closed on Friday)
November 24, 2022 (Thursday)	Thanksgiving Day holiday (all locations closed)
November 25, 2022 (Friday)	Day after Thanksgiving holiday (all locations closed) (holiday for Main Library & support agencies; other locations closed per regular schedule)
November 26, 2022 (Saturday)	Day after Thanksgiving designated holiday for branches (which are normally closed on Friday) (Main Library open)
December 23, 2022 (Friday)	Christmas Eve designated holiday for support agencies (Main Library open, branches closed per regular schedule)
December 24, 2022 (Saturday)	Christmas Eve holiday (all locations closed)
December 25, 2022 (Sunday)	No Sunday service
December 26, 2022 (Monday)	Christmas Day designated holiday (all locations closed)
December 30, 2022 (Friday)	New Year's Eve designated holiday for support agencies (Main Library open, branches closed per regular schedule)

Minutes were approved at the September 20, 2022 Commission Meeting

December 31, 2022 (Saturday)	New Year's Eve holiday (all locations closed)
January 1, 2023 (Sunday)	No Sunday service
January 2, 2023 (Monday)	New Year's Day designated holiday (all locations closed)
January 16, 2023 (Monday)	Martin Luther King Jr. Day holiday (all locations closed)
February 20, 2023 (Monday)	Presidents' Day holiday (all locations closed)
April 7, 2023 (Friday)	Good Friday holiday (all locations closed) (holiday for Main Library & support agencies; other agencies closed per regular schedule)
April 8, 2023 (Saturday)	Good Friday designated holiday for branches (which are normally closed on Friday) (Main Library open)
April 9, 2023 (Sunday)	No Sunday service
May 22, 2023 (Sunday)	Last Sunday of season for Main Library
May 26-27, 2023 (Friday-Saturday)	Summer schedule begins: branches open Fridays, closed Saturdays.
May 29, 2023 (Monday)	Memorial Day holiday (all locations closed)
June 19, 2023 (Monday)	Juneteenth holiday (all locations closed)

COMMISSION ACTION

Commissioner Hayden Friley moved approval of the calendar of Library closings.
Commissioner Bellant supported.

A roll call vote was taken with the following results:

- Bellant Yes
- Hayden Friley Yes
- Hicks Yes
- Peterson-Mayberry Yes
- Short Yes
- President Jackson Yes

The motion passed unanimously.

COMMITTEE ON BUILDINGS

Approval to Sell 9928 W. Grand River, Detroit, MI (Gabriel Richard Branch)

On April 19, 2022, the Library Administration informed the Detroit Library Commission of another offer to purchase the Gabriel Richard Branch located at 9928 W. Grand River, Detroit, Michigan by Detroit Association of Black Organizations (DABO).

Minutes were approved at the September 20, 2022 Commission Meeting

Benjamin Smith of Summit Commercial LLC, the real estate company hired to identify a purchaser, strongly recommended that we consider DABO's offer. DABO is a federation of 130 black and non-black organizations working to build community unity. Their mission is to build functional unity and maximal empowerment within the Black community all while building sustainable methods of communication with the larger community. The purpose of building will be to house the Horace L. Sheffield, Jr. Civic, Labor, & Civil Rights Archives; and, (2) to house the LaVonne & Mary Sheffield Choose Healthy Life Illness Prevention and Health Promotion prevention projects. In addition, the organization will house some overall administrative functions such as finance and grants management.

The Library Administration along with the Library's legal counsel have reviewed the offer to purchase the Gabriel Richard Branch for \$150,000.

Therefore, upon review of the offer, and recommendation of the real estate agent, the DLC Committee on Buildings is advising the Detroit Library Commission to considering approving the Finance and Business Office to sign the Purchase Agreement to sell the Gabriel Richard Branch, located at 9928 W. Grand River, Detroit, Michigan 48204, to the Detroit Association of Black Organizations (DABO) for the amount of one-hundred and fifty thousand dollars (\$150,000).

COMMISSION ACTION

Commissioner Bellant moved approval to sell 9928 W. Grand River (Richard Branch) Commissioner Short supported.

DISCUSSION

Commissioner Hicks asked about the amount of the first offer on the property.

Mr. Brown said that the first offer was \$140,000. The property was appraised and the current offer is above the appraised amount and the purchaser provided financial statements to verify they had the funds to purchase the property.

Commissioner Peterson-Mayberry asked about the timeline of the building reopening if the purchase is approved by the Commission.

Mr. Brown said that the Commission would receive a timeline when the property is sold.

NOTED

Commissioners Bellant, Hicks and Peterson-Mayberry stated that they had a relationship with the Sheffield family.

Commissioner Bellant commended the library administration for keeping its commitment to the community to find a responsible purchaser for the property.

A roll call vote was taken with the following results:

- | | |
|---------------------|-----|
| ➤ Bellant | Yes |
| ➤ Hayden Friley | Yes |
| ➤ Hicks | Yes |
| ➤ Peterson-Mayberry | Yes |
| ➤ Short | Yes |
| ➤ President Jackson | Yes |

The motion passed unanimously.

Approval to Renew a Five-Year Lease Agreement for the Elmwood Park Branch of the Detroit Public Library

The Elmwood Park Branch, located at 550 Chene in the Elmwood Park Plaza, opened to the public in 1975 in a leased space that is approximately 5,000 square feet. On July 1, 2017, the Detroit Public Library entered into a new five-year lease agreement with Sesi & Sesi, P.C., for a lease of the space at an annual cost not to exceed \$56,000.00 (or \$280,000 for the full five-year term). The initial five-year term ends on June 30, 2022.

Significant provisions of the 2017 lease agreement with Sesi & Sesi, P.C. included:

- A 5-year lease period at a base rate of \$4,167 per month (or \$50,004 per year)
- The option to extend the lease for an additional 5 years at a base rate of \$4,583.70 per month (or \$55,004.40 per year)
- Additional fee to cover maintenance costs for the plaza's common areas, beginning at approximately \$5,000 per year, with a 1% or less increase in subsequent years
- The DPL is responsible for utilities
- The landlord to maintain the structure, including the HVAC system
- The DPL repairs doors and windows, when not covered by the landlord's insurance
- The landlord and DPL to both maintain necessary insurances. The landlord agrees to maintain insurance policies on the building and common areas against casualty loss and public liability
- The tenant agrees to maintain general liability and property damage insurance for the benefit of the landlord; \$1,000,000 personal, \$2,000,000 casualty, and \$500,000 for property damage

Under the renewed five-year lease term with Sesi & Sesi, P.C., the new monthly rental amount is \$4,583.70 per month (or \$55,004.40 per year) for the Elmwood Park Branch. The renewal term covers the time period beginning July 1, 2022 and ending on June 30, 2027 at an annual cost not to exceed \$60,004.00, which represents nearly a 10% increase over the prior 5-year term.

Minutes were approved at the September 20, 2022 Commission Meeting

The total expected cost over the five-year renewal period is approximately **\$305,020**. Therefore, the DPL Committee on Buildings is advising the Detroit Library Commission to consider approving and authorizing the Finance and Business Office to exercise the option to extend the current lease agreement for an additional 5 years in an amount not to exceed **\$305,020**.

COMMISSION ACTION

Commissioner Bellant moved approval to renew a five-year lease agreement for the Elmwood Park Branch of the Detroit Public Library. Commissioner Peterson-Mayberry supported.

NOTED

Commissioner Hicks asked that clarification of the relationship between Sesi & Sesi (owners of the master lease agreement) and City Club Apartments (new owners of the building) be placed in Elmwood Park Branch files.

A roll call vote was taken with the following results:

- | | |
|---------------------|-----|
| ➤ Bellant | Yes |
| ➤ Hayden Friley | Yes |
| ➤ Hicks | Yes |
| ➤ Peterson-Mayberry | Yes |
| ➤ Short | Yes |
| ➤ President Jackson | Yes |

The motion passed unanimously.

Approval to Contract with OTIS Elevator to Perform Elevator & Escalator Maintenance and Repairs for Detroit Public Library

The Detroit Public Library (DPL) Committee on Buildings is advising the Detroit Library Commission to consider a new contract with OTIS Elevator for the time period beginning July 1, 2022 through June 30, 2023. A Request for Proposal (RFP), DPL-LD-2130, was advertised and posted on the Michigan Inter-Governmental Trade Network (MITN) website, www.bidnetdirect.com, and on the Detroit Public Library website from April 05, 2022 until bid closing at 3:00 p.m. on April 29, 2022, at which time the bid documents were no longer available for download.

The solicitation was downloaded from the MITN website by eight (8) companies; one (1) company, who is the incumbent, submitted a bid.

The bid results are as follows:

Preventative Maintenance Cost

Location	Working?	Detroit Reg. Number	Usage	Type- Landings	Service Type	Monthly Cost	Annual Cost
MAIN LIBRARY							
H&T		7450	DUMBWAITER	TRACTION - 4	PM	\$ 50.00	\$ 600.00
GI		7888	DUMBWAITER	TRACTION - 4	PM	\$ 50.00	\$ 600.00
CHILDRENS		8093	DUMBWAITER	TRACTION - 4	PM	\$ 50.00	\$ 600.00
BURTON	Yes	8094	DUMBWAITER	TRACTION - 4	PM	\$ 50.00	\$ 600.00
S&E (S/W)	Yes?	8095	DUMBWAITER	TRACTION - 4	PM	\$ 50.00	\$ 600.00
S&E		10628	DUMBWAITER	TRACTION - 4	PM	\$ 50.00	\$ 600.00
S&E		10627	DUMBWAITER	TRACTION - 4	PM	\$ 50.00	\$ 600.00
BURTON	Yes	8040	PASS - ELEV	HYDRAULIC - 3	PM	\$ 125.00	\$ 1,500.00
SHIPPING	Yes	8041	PASS - ELEV	HYDRAULIC - 4	PM	\$ 125.00	\$ 1,500.00
CASS		7886	PASS - ELEV	TRACTION - 5	PM	\$ 200.00	\$ 2,400.00
STACK		7887	PASS - ELEV	TRACTION - 8	PM	\$ 200.00	\$ 2,400.00
GI		8229	PASS - ELEV	TRACTION - 5	PM	\$ 200.00	\$ 2,400.00
FRIENDS	Yes	10086	WHEEL CHAIR LIFT	HYDRAULIC-2	PM	\$ 125.00	\$ 1,500.00
Escalator	Yes		ESCALATOR	ESCALATOR	PM	\$ 1,080.00	\$ 12,960.00
REDFORD		9495	PASS - ELEV	HYDRAULIC-4	PM	\$ 125.00	\$ 1,500.00
SKILLMAN	Yes	5329	PASS-ELEV	HYDRAULIC-3	PM	\$ 125.00	\$ 1,500.00
Total for all equipment						\$ 2,655.00	\$ 31,860.00
Total for working equipment						\$ 1,680.00	\$ 20,160.00

Repair Costs

	Regular	Overtime	Weekend/ Holiday	Other
Hourly Rate for Repair Service	\$250.00	\$500.00	\$500.00	

Materials

Provide the percentage markup from the Contractor's cost to be charged for any parts and materials. DPL reserves the right to audit the Contractor's invoices upon request.

Parts will be invoiced

at: 25% markup from vendor's price

Year Two % Increase	4%
Year Three % Increase	4%

The annual cost for "preventative maintenance" is \$31,860 per year for basic preventative maintenance. However, some of the equipment is not functional and does not currently need to be under a preventative maintenance contract. Request to contract with OTIS elevator for the full amount of \$31,860. The working equipment will be placed under an annual maintenance contract totaling \$20,160. The remaining amount of \$11,700, which is normally budgeted for preventative maintenance will be used to cover additional assessment, parts, and repairs. As each piece of equipment is restored, it will be added to the existing preventative maintenance agreement at the rates as indicated in the proposal response. Additional services will be billed at the rates as indicated in the OTIS proposal response.

Elevator Maintenance & Repair

July 1, 2022 – June 30, 2023

OTIS Elevator

25365 Interchange Court

Farmington Hills, MI 48335

Amount not to Exceed: \$31,860

Therefore, the DPL Committee on Buildings is advising the Detroit Library Commission to authorize the Finance and Business Office to execute an agreement for elevator and escalator preventative maintenance and repair services with OTIS elevator. The contract period is from July 1, 2022 through June 30, 2023. The total amount of the contract will not exceed **\$31,860**.

COMMISSION ACTION

Commissioner Bellant moved approval to contract with OTIS Elevator for elevator and escalator repair. Commissioner Short supported.

A roll call vote was taken with the following results:

- | | |
|---------------------|-----|
| ➤ Bellant | Yes |
| ➤ Hayden Friley | Yes |
| ➤ Hicks | Yes |
| ➤ Peterson-Mayberry | Yes |
| ➤ Short | Yes |
| ➤ President Jackson | Yes |

The motion passed unanimously.

Approval to Renew Contract with JC Ehrlich for Pest Control Services at Detroit Public Library and Branch Locations

The Detroit Public Library (DPL) Committee on Buildings is advising the Detroit Library Commission to consider renewing the contract for pest control services with JC Ehrlich, a Rentokil Company, for the time period beginning July 1, 2022 through June 30, 2023. The current agreement began in 2018 as the result of an Invitation for Bid(s) (IFB) and has been renewed on an annual basis for the last 4 years with pricing and service levels essentially unchanged. The Procurement Department has obtained agreement from JC Ehrlich to extend the current contract for the time periods as listed below under the same terms and conditions as agreed upon in the IFB dated March 26, 2018.

Pest Control Services

July 1, 2022 – June 30, 2023

Rentokil NA

1125 Berkshire Blvd

Reading, PA 19610

Amount not to Exceed: \$13,500

Minutes were approved at the September 20, 2022 Commission Meeting

Therefore, the DPL Committee on Buildings is advising the Detroit Library Commission to consider approving and authorizing the Finance and Business Office to renew the contract for pest control services. The extension period will cover the time period from July 1, 2022 through June 30, 2023. The total amount of the combined contract extensions will not exceed \$13,500.

COMMISSION ACTION

Commissioner Bellant moved approval to renew contract with JC Ehrlich for pest control services. Commissioner Peterson-Mayberry supported.

A roll call vote was taken with the following results:

- | | |
|---------------------|-----|
| ➤ Bellant | Yes |
| ➤ Hayden Friley | Yes |
| ➤ Hicks | Yes |
| ➤ Peterson-Mayberry | Yes |
| ➤ Short | Yes |
| ➤ President Jackson | Yes |

The motion passed unanimously.

Approval to Renew Contract for Waste Removal Services at Detroit Public Library

The Detroit Public Library (DPL) Committee on Buildings is advising the Detroit Library Commission to renew the waste removal services agreement for routine waste removal at Main Library and all branches with Republic Services for the time period beginning July 1, 2022 through September 30, 2022. The request is for a 3-month period which will allow the Library sufficient time to conduct a competitive bid for a new contract. The last time the service was competitively bid was in March 2017 and the current agreement with Republic services expired on June 30, 2020. There are no optional renewals left. The Procurement Department has obtained agreement from Republic Services to extend the agreement under the same terms and conditions.

Waste Removal Services
July 1, 2022 – Sept 30, 2022

Republic Services, Inc.
1633 Highwood West
Pontiac, MI 48340

Amount not to Exceed: \$9,100

Therefore, the DPL Committee on Buildings is advising the Detroit Library Commission to consider approving and authorizing the Finance and Business Office to renew the contract for waste removal services at Main Library and all branches. The extension period will cover the time period from July 1, 2022 through September 30, 2022. The total amount of the three-month extension will not exceed **\$9,100**.

COMMISSION ACTION

Commissioner Bellant moved approval to renew contract with Republic Services Inc. for waste removal services. Commissioner Short supported.

A roll call vote was taken with the following results:

- | | |
|---------------------|-----|
| ➤ Bellant | Yes |
| ➤ Hayden Friley | Yes |
| ➤ Hicks | Yes |
| ➤ Peterson-Mayberry | Yes |
| ➤ Short | Yes |
| ➤ President Jackson | Yes |

The motion passed unanimously.

Approval to Renew Contract for Security Monitoring Services at Detroit Public Library

The Detroit Public Library (DPL) Committee on Buildings is advising the Detroit Library Commission to renew the contract for Security monitoring with Sonitrol, Inc. for the time period beginning July 1, 2022 through June 30, 2023. Sonitrol, Inc. has been the provider of this service for the last 25 years for the Library. They have installed sensors and other surveillance equipment that make switching costs very high. The service is satisfactory and they are adequately qualified and fully responsive to the needs of the library. The Procurement Department has obtained an agreement from Sonitrol Inc to extend the contract for the time period as listed below under the same terms and conditions, as follows:

Security & Fire Alarm Monitoring
July 1, 2022 – June 30, 2023

Sonitrol Great Lakes
7241 Fenton Road
Grand Blanc, MI 48439

Amount not to Exceed: \$45,504

Therefore, the DPL Committee on Buildings is advising the Detroit Library Commission to consider authorizing the Finance and Business Office to renew the annual contract with Sonitrol Inc. for security monitoring services. The extension period will cover the time period from July 1, 2022 through June 30, 2023. The total amount of the extension will not exceed **\$45,504**.

COMMISSION ACTION

Commissioner Bellant moved approval to renew contract with Sonitrol Inc. for security monitoring services. Commissioner Peterson-Mayberry supported.

Minutes were approved at the September 20, 2022 Commission Meeting

A roll call vote was taken with the following results:

- | | |
|---------------------|-----|
| ➤ Bellant | Yes |
| ➤ Hayden Friley | Yes |
| ➤ Hicks | Yes |
| ➤ Peterson-Mayberry | Yes |
| ➤ Short | Yes |
| ➤ President Jackson | Yes |

The motion passed unanimously.

COMMITTEE ON FINANCE

Approval of the E-Rate Contract with T-Mobile and Dell for the Detroit Public Library Lending Initiative

The Federal government authorized the Universal Service Administrative Company (USAC) to administer its Emergency Connectivity Fund (ECF) through the E-Rate program. ECF was established in response to the digital divide that exists in both rural and inner cities. Eligible schools, school districts and libraries may apply individually or as part of a consortium.

The Detroit Public Library has partnered with the City of Detroit's Department of Innovation and Technology (DoIT) to develop the Detroit Public Library Lending Initiative. This project plan aims to expand the capacity and increase the effectiveness of an existing laptop lending initiative facilitated by the Detroit Public Library by (1) adding additional laptops to the existing inventory and (2) providing hotspots and tech support to residents who check out a laptop. This intervention is addressing the role of trusted, neighborhood-based anchor institutions in facilitating residential, technology-based trust, while also providing a digital lifeline for residents who do not have access to a computer and/or internet. The anticipated outcomes include:

- (1) A stronger case for residential, long-term technology adoption.
- (2) Greater clarity on unique, neighborhood level challenges bridging the digital divide.
- (3) Reliable access to technology and Wi-Fi for Detroit residents.

DPL will procure and house computers and hotspots and fully manage lending and warranty aspects with residents and vendors. DPL will also be responsible for sub-recipient reporting and abiding by the terms and conditions in the sub-recipient agreement with USAC. The following partners will provide the services necessary to implement the program.

Presidio Networked Solutions Group LLC

Presidio is the State's contracted technology provider and has provided a quote for 300 2-n-1 laptops to the Detroit Public Library.

T-Mobile

T-Mobile is the State of Michigan's contracted mobile and internet phone provider and has provided a quote for hotspots and Wi-Fi access for all 300 laptops, plus the existing 200 laptops the library received that were refurbished from Lawrence Technological University.

Reboot and Restore

The Detroit Public Library has an existing contract with Reboot and Restore which is the software that is used to lock down laptops, and prevent the user from making any permanent changes.

Absolute

Absolute is software which works like lo-jack to locate lost or stolen devices.

Human I-T

Human I-T creates equitable access to opportunity by providing devices, internet access, digital skills training, and tech support for communities left on the wrong side of the digital divide—while at the same time, encouraging businesses and organizations to do good by diverting technology from landfills to protect our planet. Human I-T will serve as technical support during each branch's regular hours, both in-person and, in the longer term, by phone. Human I-T will also work with the Detroit Public Library to facilitate laptop repairs and maintenance. Human I-T will also serve in a "navigator" role, pointing residents to other services like the affordable connectivity plan.

Detroit Public Library completed its 2021 ECF application with the help of our E-rate consultant (e-rate Central) for 500 wireless hotspots and 300 laptops. This application was reviewed and approved by USAC on November 8, 2021.

The table below shows the funding commitment decision overview from USAC.

Funding Request Number (FRN)	Service Provider Name	Amount Requested	Amount Committed	Status
ECF2190012498	Presidio Networked SolutionsGroup LLC	\$120,000.00	\$120,000.00	Funded
ECF2190012514	T-Mobile USA, Inc.	\$45,000.00	\$45,000.00	Funded
ECF2190012520	T-Mobile USA, Inc.	\$185,460	\$185,460	Funded

ECF contracts are funded at 100% of the threshold by the FCC. The procurement of T-Mobile Wireless HotSpot has a \$45,000.00 one-time fee and a \$30.91 monthly reoccurring fee per device.

Presidio Network Solutions, Dell Partner, will supply 300 laptops at \$659 per device. ECF approval per device is \$400 per device. The variance of \$259 per device, a total of \$77,000, will be covered by the City of Detroit through the use of American Rescue Plan Act (ARPA). In addition, the monthly reoccurring fee per device annually of \$185,460, a total of \$556,380, plus the support of the devices of \$877,650, will be covered by the City of Detroit for a 3-year period using ARPA funding. The total commitment by the City of Detroit for the program is \$1,511,730.

Therefore, the DPL Committee on Finance is advising the Detroit Library Commission to consider approving and authorizing the Finance and Business Office to contract with T-Mobile, located at 3618 Factoria Blvd SE, Bellevue, WA for a one-year period, in an amount not to exceed \$230,460 which includes a \$45,000.00 equipment fee and \$185,460 one-year cost. Also, approval is requested to procure 300 Dell laptops from Presidio Networks at a cost not to exceed \$197,700, to be funded with \$120,000.00 from ECF and \$77,700 from City of Detroit.

COMMISSION ACTION

Commissioner Hayden Friley moved approval of the E-Rate contract with T-Mobile and Dell for the Detroit Public Library Lending Initiative. Commissioner Bellant supported.

DISCUSSION

Commissioner Hicks asked about the services Human I-T provided.

Mr. Brown stated that Human I-T would serve as technical support during each branch's regular hours. They would also work with DPL to help facilitate laptop repairs and maintenance.

Commissioner Peterson-Mayberry, Detroit Public Schools Community District Board Chair, stated that the Detroit Public Schools Community District was pleased with the services provided by Human I-T.

A roll call vote was taken with the following results:

- | | |
|---------------------|-----|
| ➤ Bellant | Yes |
| ➤ Hayden Friley | Yes |
| ➤ Hicks | Yes |
| ➤ Peterson-Mayberry | Yes |
| ➤ Short | Yes |
| ➤ President Jackson | Yes |

The motion passed unanimously.

Approval to Contract with Signature Technology Solutions for Network Cabling and IDF Clean-up for Detroit Public Library

The Detroit Public Library (DPL) Committee on Finance advises the Detroit Library Commission to consider a new contract for network cabling at six library branches and IDF closet cleanup at 16 library branch locations. The service locations are listed on page 3 for reference. The current computer cabling was installed over 20 years ago. The cabling is old and has exposed wire; most of the points of contact are broken or corroded from floor wax. Cabling standards have since upgraded to accommodate greater bandwidth. E-Rate category for maintenance of internal connection of data equipment will enable DPL to accomplish the necessary upgrade at a discounted cost.

The Universal Service Administrative Company (USAC) administers the Universal Service Fund under the direction of the Federal Communications Commission (FCC). USAC administers the E-Rate program, which provides funding toward eligible services for public schools and libraries. The Information Systems Department oversees the program on behalf of Detroit Public Library.

An Invitation for Bid (IFB) was advertised and posted on the Michigan Inter-Governmental Trade Network (MITN) website, www.bidnetdirect.com. The solicitation period was from January 20, 2022 until bid closing at 2:00 p.m. on February 25, 2022, at which time the bid documents were no longer available for download. The IFB was downloaded from the MITN website by twenty-six (26) firms. Three (3) companies submitted a bid for the services.

The evaluation committee consisting of Tim Turner, Brian Vance, Jon Davis, and Ken Gabriel of the IS department reviewed and evaluated the proposals. Signature Technology Solutions offered the highest-ranking solution at the lowest cost as summarized below:

		Signature Technology Solutions 37740 Hills Tech Dr Farmington Hills MI		Net Solutions L.L.C. 17151 ROWE ST Detroit MI		Synergy Fiber 3131 S. State St. Ste. 304 Ann Arbor, MI	
		\$145,256.00		\$285,000.00		\$485,348.28	
Selection Criteria:	Weight*	Raw Score****	Weighted Score	Raw Score	Weighted Score	Raw Score	Weighted Score
Cost of E-rate Eligible Products/Services*	25%	10.00	25.00%	5.10	12.74%	2.99	7.48%
Meets/Understands Needs	20%	8.30	16.60%	7.00	14.00%	8.75	17.50%
Compatibility with Existing Network	20%	8.50	17.00%	8.50	17.00%	9.25	18.50%
Previous Experience with Vendor/References	15%	7.25	10.88%	6.38	9.56%	7.88	11.81%
Technical Ability	20%	8.50	17.00%	8.25	16.50%	9.00	18.00%
Overall Ranking		100%	86.48%	69.80%	73.29%		

Under the USAC agreement, DPL is obligated to pay zero percent (0%) of the Funding Request Number for the services under this contract. There is no financial or monetary obligation of the Library. This project will commence upon receipt of the Funding Commitment Decision Letter (FCDL) from USAC, which was expected in early-to-mid June 2022. E-Rate funding is approved for projects completed during Fiscal Year 2023.

Approval is requested to contract with Signature Technology Solutions to install Network Cable and perform IDF cleanups at 16 branch locations for Detroit Public Library. This is a limited engagement with a one-time cost of \$145,256, which is fully funded through USAC's E-Rate program. There are no recurring or maintenance fees.

COMMISSION ACTION

Commissioner Hayden Friley moved approval to contract with Signature Technology Solutions for network cabling and IDF clean-up for DPL. Commissioner Bellant supported.

Minutes were approved at the September 20, 2022 Commission Meeting

NOTED

Commissioner Bellant commended the administration for using the staff to evaluate the contracts.

Commission Hicks suggested adding the date the evaluation took place.

A roll call vote was taken with the following results:

- | | |
|---------------------|-----|
| ➤ Bellant | Yes |
| ➤ Hayden Friley | Yes |
| ➤ Hicks | Yes |
| ➤ Peterson-Mayberry | Yes |
| ➤ Short | Yes |
| ➤ President Jackson | Yes |

The motion passed unanimously.

Approval to Contract with Ahead in The Cloud for Uninterruptable Power Supply (UPS) for Detroit Public Library

The Uninterruptable Power Supply (UPS), which is also known as a battery backup, provides backup power when regular power source fails, or voltage drops to an unacceptable level. Installation of the protective equipment provides high-quality AC power for sensitive electronic equipment loads, reliable power protection for servers, critical nodes, network workstations, large network peripherals, network routers, bridges, hubs, and other electronic equipment. E-Rate program for IT infrastructure maintenance will enable DPL to acquire and install the necessary equipment at no cost to library.

The Universal Service Administrative Company (USAC) administers the Universal Service Fund under the direction of the Federal Communications Commission (FCC). USAC administers the E-Rate program, which provides funding toward eligible services for public schools and libraries. The Information Systems Department oversees the program on behalf of Detroit Public Library.

An Invitation for Bid (IFB) was advertised and posted on the Michigan Inter-Governmental Trade Network (MITN) website, www.bidnetdirect.com. The solicitation period was from January 20, 2022, until bid closing at 10:00 a.m. on February 25, 2022, at which time the bid documents were no longer available for download. The IFB was downloaded from the MITN website by twenty-three (23) firms.

Six (6) companies submitted a bid for the services. The evaluation committee, Tim Turner, Brian Vance, Jon Davis, and Ken Gabriel of the IS department, reviewed and evaluated the proposals. Ahead in the Cloud offered the highest-ranking solution at the lowest cost as summarized on the following pages.

Ahead in The Cloud is an approved federal Government Contractor who participates in the Universal Service Administrative Company (USAC)'s E-Rate program which provides funding towards eligible services for schools and libraries. Eligible Services include internet access, telecommunications services, and related IT equipment.

Authorization is requested to contract with Ahead in The Cloud to install uninterruptable power supply for Detroit Public Library. The total cost for equipment and installation is **\$468,948.41**. The contract will commence upon final Commission approval and terminate upon successful completion of the equipment installation. Full funding for this initiative is provided by USAC through the Federal Government's E-Rate program.

COMMISSION ACTION

Commissioner Hayden Friley moved approval to contract with Ahead in The Cloud for uninterruptable power supply (UPS) for DPL. Commissioner Bellant supported.

NOTED

Commissioner Short left the meeting at 3:10 p.m.

A roll call vote was taken with the following results:

- | | |
|---------------------|-----|
| ➤ Bellant | Yes |
| ➤ Hayden Friley | Yes |
| ➤ Hicks | Yes |
| ➤ Peterson-Mayberry | Yes |
| ➤ President Jackson | Yes |

The motion passed unanimously.

Approval to Renew Contracts with Sentinel Technologies for IT infrastructure Services and Support for Detroit Public Library

The Detroit Public Library (DPL) Committee on Finance is advising the Detroit Library Commission to renew two contracts with Sentinel Technologies for Managed Internal Broadband Services, and Basic Maintenance of Internal Connections for wireless access points for the time period beginning July 1, 2022 through June 30, 2023. This time period covers year two of each agreement, and both contracts have one optional renewal year left. Sentinel Technologies was awarded the contract in May 2021 after submitting a top-ranking competitive proposal.

Minutes were approved at the September 20, 2022 Commission Meeting

The Universal Service Administrative Company (USAC) administers the Universal Service Fund under the direction of the Federal Communications Commission (FCC). USAC administers the E-Rate program, which provides funding toward eligible services for public schools and libraries. The Information Systems Department oversees the program on behalf of Detroit Public Library. The renewals listed below are funded through the E-Rate program which allows the Detroit Public Library to secure necessary access to safe technology with federal funding at 85% of the total cost, as shown in the table below.

The Procurement Department obtained agreement from the current provider to extend the existing contracts for a one-year period under the same terms and conditions, as follows:

Service	Supplier	Total Amount	USAC Funding Commitment	DPL Not to Exceed Amount
Managed Internal Broadband Service (MIBS)	Sentinel Technologies 17199 N. Laurel Park Dr Ste. 322 Livonia, MI	\$45,456.00	85%	\$6,818.00
Basic maintenance of Internal Connections (BMIC) - wireless access points	Sentinel Technologies 17199 N. Laurel Park Dr Ste. 322 Livonia, MI	\$168,018.00	85%	\$25,203.00
Totals		\$213,474.00		\$32,021.00

Therefore, the DPL Committee on Finance is advising the Detroit Library Commission to consider approving and authorizing the Finance and Business Office to exercise the option to renew the agreement for the period from July 1, 2022, through June 30, 2023. The total amount of the combined agreements will not exceed \$32,021.

COMMISSION ACTION

Commissioner Hayden Friley moved approval to renew contract with Sentinel Technologies for IT infrastructure services and support for DPL. Commissioner Bellant supported.

A roll call vote was taken with the following results:

- Bellant Yes
- Hayden Friley Yes
- Hicks Yes
- Peterson-Mayberry Yes
- President Jackson Yes

The motion passed unanimously.

Minutes were approved at the September 20, 2022 Commission Meeting

Approval to Renew Annual Contract with Merit Network for Internet Service for Detroit Public Library

The Detroit Public Library (DPL) Committee on Finance is advising the Detroit Library Commission to renew the internet services agreement with Merit Network for the time period beginning July 1, 2022 through June 30, 2023. This is for year two of an agreement that has three optional renewal years left. Merit, Inc. was awarded the contract in May 2021 after submitting a top-ranking competitive proposal.

The Universal Service Administrative Company (USAC) administers the Universal Service Fund under the direction of the Federal Communications Commission (FCC). USAC administers the E-Rate program, which provides funding toward eligible services for public schools and libraries. The Information Systems Department oversees the program on behalf of Detroit Public Library. The renewal is funded through the E-Rate program which allows the Detroit Public Library to secure necessary access to safe technology with federal funding at 90% of the total cost, as shown in the table below.

The Procurement Department obtained agreement from the current provider to extend the existing contract for a one-year period under the same terms and conditions, as follows:

Service	Supplier	Total Amount	USAC Funding Commitment	DPL Not to Exceed Amount
Internet Access w/ bundle Firewall service	Merit Network 880 Technology Drive Suite B Ann Arbor, MI	\$508,919.00	90%	\$50,982.00

Therefore, the DPL Committee on Finance is advising the Detroit Library Commission to approve the Finance and Business Office to exercise the option to renew the contract with Merit Network for internet services for the period from July 1, 2022, through June 30, 2023. The total amount of the renewal will not exceed \$50,982.

COMMISSION ACTION

Commissioner Hayden Friley moved approval to renew contract with Merit Network for Internet service for DPL. Commissioner Bellant supported.

A roll call vote was taken with the following results:

- Bellant Yes
- Hayden Friley Yes
- Hicks Yes
- Peterson-Mayberry Yes
- President Jackson Yes

Minutes were approved at the September 20, 2022 Commission Meeting

The motion passed unanimously.

Approval to Renew Annual Hosting & Software Maintenance Agreement with Naviant, Inc. for Procurement Software for the Detroit Public Library

In November 2020 a like-to-like conversion of the Library's Procurement software was performed due to the existing software reaching end of life. Hyland Software offered DPL a like-to-like conversion from SIRE to OnBase free of charge. Naviant upgraded the SIRE system and assisted with establishing a single, enterprise-wide platform for the Library's Procurement Department and Business Office. The OnBase software licensed by Hyland and supported by Naviant, Inc. is used to generate purchase orders for supplies and services to support Administrative and operational needs of the library. The OnBase software enables the library's use of a tiered approval process for routine and special purchases.

Licensing and use of the software require an annual financial commitment to hosting and maintenance. Hyland hosts the application and related data in a remote server and performs regular hardware and software maintenance on behalf of the library as outlined below. Naviant delivers the support necessary to keep the software applications fully functional and operating according to the Library's needs. The total annual amount for hosting and maintenance is **\$94,527.64**.

Annual Total for Procurement Software Hosting & Maintenance	\$ 94,527.64
Cloud Based Hosting Subscription	\$ 45,768.00
Maintenance Total:	\$ 48,759.64
<i>Maintenance Costs consists of:</i>	
<i>ONBASE Licensing per Hyland Community</i>	<i>\$ 31,346.40</i>
<i>Single Sign On Subscription</i>	<i>\$ 2,280.94</i>
<i>Naviant Support Level Agreement - SLA</i>	<i>\$ 15,132.30</i>

Therefore, the DPL Committee on Finance is advising the Detroit Library Commission to authorize the Finance and Business Office to exercise the option with Naviant to renew a hosting and maintenance agreement for procurement software in an amount not to exceed \$94,527.64. This cost includes \$48,759.64 for software maintenance & support and \$45,768.00 for offsite application and data hosting. This renewal covers the period from September 1, 2022, through August 31, 2023 and represents year 3 of a three-year agreement.

COMMISSION ACTION

Commissioner Hayden Friley moved approval to renew annual hosting & software maintenance agreement with Naviant, Inc. for procurement software for DPL. Commissioner Bellant supported.

A roll call vote was taken with the following results:

- Bellant Yes
- Hayden Friley Yes
- Hicks Yes
- Peterson-Mayberry Yes
- President Jackson Yes

The motion passed unanimously.

Approval to Renew Property, Liability, Fine Arts, and Commercial Crime Insurance Policies for Detroit Public Library

The Detroit Public Library (DPL) Committee on Finance is advising the Detroit Library Commission to renew the insurance policies for Property, General Liability, Auto Liability, Director & Officers Liability, Fine Arts, and Commercial Crime policies for the time period beginning July 1, 2022 through June 30, 2023. Below is a summary of results for the 2022 – 2023 insurance renewal and recommendation:

Property:

Following the large flood loss the Library experienced in June of 2021, the Library's incumbent insurer, AIG, indicated a dramatic change in terms for the 10/1/2021 renewal. Alliant, who is the Library's broker of record since 2021, felt these changes left the Library dramatically underinsured, and as a result, they underwent a full marketing effort find a viable replacement. This resulted in placement of the first \$10 million in loss, excess of the Library's deductibles, with Lloyds of London. Alliant was then able to convince AIG to ease back on their changes to sit excess of Lloyds of London for the \$490 million excess of \$10 million.

Due to the extensive marketing done last year Alliant refrained from conducting a full marketing effort for the 2022 – 2023 renewal. Below is a summary of the property insurance renewal options:

Property	2021 - 2022	2022 - 2023	Annual Change
Lloyds of London	\$512,500.00	\$512,500.00	0.00%
AIG Specialty Insurance Company	\$427,973.38	\$454,918.58	6.30%
Lloyds of London (Terrorism)	\$79,447.75	\$82,000	3.21%
Total	\$1,019,921.13	\$1,049,418.58	2.89%

While the above appears to represent a 6.30% increase in rate, the primary factor driving this increase is inflation of values. On a typical year, a standard inflationary factor for a property schedule is 2-3%.

This year, due to the increased cost of building materials, lack of skilled labor, etc., many insurance companies are pushing for 10-20% increases in property values.

Minutes were approved at the September 20, 2022 Commission Meeting

For the Library, Alliant was able to successfully negotiate a 7.5% increase in building values, and 5% increase in contents. The actual increase in rate was only 2.5% year over year.

Alliant marketed the Library's program to Travelers because they did release a competitive indication at last renewal past the quote deadline. Below is a summary of that option:

Property	2021 - 2022	2022 - 2023	Annual Change
Travelers	\$1,019,921.13	\$1,059,001	3.83%

There are some key enhancements to the above Travelers option. First and foremost being the change from "Functional Replacement Cost" valuation to true "Replacement Cost." This meaning, under the current structure, should the Library experience a total loss, the loss adjustment from the insurance company would value their reimbursement to provide funds to rebuild a Library capable of fulfilling the functions of the Library only. Under the Travelers policy, the loss payment would be valued to completely rebuild the Library to its current integrity, complete with all of the ornamental finishes that make the Library a historical landmark.

The second key difference lies within the deductible structure. Under the current program, Alliant instilled a "corridor" deductible where the Library would be responsible for the first \$1.5 million in loss payment in excess of the \$500,000 deductible. Once that is eroded, the Library would revert back to the \$500,000 per occurrence deductible. Travelers was able to remove the "corridor," and instead implemented a \$1,000,000 flood deductible per occurrence to mitigate future flood losses.

There are some areas where Travelers is not as strong as the current structure. Those being:

- Travelers is sub-limiting the total per occurrence loss for books to \$10,000,000, where the Library currently carrier \$25,000,000 of this coverage.
- Ordinance or Law coverage is sub-limited to \$25,000,000 for the cost to demolish and the increased cost to bring the Library up to code should it be needed. Under the current program, the Library carries a \$100,000,000 limit.
- Travelers is limiting coverage in the event of an Earthquake to \$10,000,000, where the current program provides for \$50,000,000.
- Travelers is limiting its coverage for Boiler and Machinery Hazardous Substances and Water Damage to \$1,000,000. Under the current program, this all falls within the \$100,000,000 Boiler and Machinery sub-limit.
- Utility Service Interruption is sub-limited to \$5,000,000 through Travelers, and sub-limited to \$15,000,000 under the current program.

General Liability:

When Alliant took over as the broker of record for the general liability in 2021, they were required to replace the coverage with the Library's incumbent insurer, Frankenmuth Mutual Insurance Company. Frankenmuth is a smaller, regional insurance company, who typically saves their appointments for smaller insurance brokers, and as such, Alliant did not qualify to renew the Library's program. After conducting a full marketing effort, Alliant was able to replace the Frankenmuth placement with Citizens Insurance Company of America for a relatively flat renewal. Because of the marketing done last year, Alliant did not market the Library's program for 2022 – 2023. Below is a summary of the renewal:

General Liability	2021 - 2022	2022 - 2023	Annual Change
Citizens Insurance Company of America	\$21,381.00	\$22,112.00	3.42%

Automobile Liability:

Similar to the General Liability, in 2021 Alliant was forced to replace the Frankenmuth Mutual Insurance Company policy for the Library's Automobile Liability as well. This policy was replaced through Citizens Insurance Company of America, and because of the marketing last year, we opted not to market the program again in 2022. Below is a summary of the renewal:

Automobile Liability	2021 - 2022	2022 - 2023	Annual Change
Citizens Insurance Company of America	\$29,237.00	\$31,684.00	8.37%

You will notice a modest increase on this renewal, which is normal in the current Automobile Liability market. Some of the factors requiring insurance companies to charge additional premium include: an uptick in distracted driving, injuries and fatalities, and medical costs; more litigation; higher repair costs; and an increase in drivers under the influence of marijuana.

Directors and Officers Liability:

Similar to the other lines of coverage, Alliant underwent a full marketing effort in 2021 for the Library's Directors and Officers Liability (D&O). A driving factor in the decision to market was that the Library's incumbent was charging too much premium. As a result, the Library's D&O coverage was placed through an admitted insurer, ACE American Insurance Company, which saved the Library more than \$10,000 in premium. Due to the results experienced last year, Alliant refrained from marketing this program in 2022. Below is a summary of the renewal:

Directors & Officers	2021 - 2022	2022 - 2023	Annual Change
ACE American Insurance Company	\$30,003.00	\$34,462.00	14.86%

There is a slight premium increase year over year. This was driven by the Library's expenditures increasing roughly 6%, and ACE American is requiring 2-4% rate increases on all of their renewals. They applied the minimum 2% on the Library's program. While this is an increase, this is still less expensive than the Library's policy for the 2020 – 2021 term.

Fine Arts:

Alliant underwent a full marketing effort for the Library's Fine Arts in 2021 as well. This resulted in replacing the Library's incumbent, Travelers, with Lloyds of London, who was able to offer higher limits at a lower premium and deductible structure. For this reason, Alliant did not market the program in 2022. Below is a summary of the renewal:

Fine Arts	2021 - 2022	2022 - 2023	Annual Change
Lloyds of London	\$23,088.13	\$23,088.13	0.00%

Commercial Crime Policy:

Because the Library was on a multi-year deal with incumbent, Travelers, Alliant did not have the opportunity to market the Crime program in 2021. We approached the 2022 renewal by getting Travelers to agree to a flat renewal, and in return, Alliant would not market the program. Travelers agreed to a flat renewal and another three-year policy, which is why we did not market the program for 2022. Below is a summary of the renewal:

Commercial Crime	2021 - 2022	2022 - 2023	Annual Change
The Travelers Indemnity Company	\$3,072.00	\$3,072.00	0.00%

Travelers did offer the option to prepay for all three years of coverage, which would save the Library \$462, or roughly 5%, over the span of three years. Below is a summary of this offering:

Commercial Crime	Installment	Prepaid	Difference
The Travelers Indemnity Company	\$9,216.00	\$8,754.00	-5.01%

Summary:

Below is a premium summary for all of the Library's 7/1/2022 renewals. The first table represents the renewal amounts under the Library's incumbent insurer AIG:

Detroit Library Commission	2021 - 2022	2022 - 2023	Annual Change
Various Insurers	\$1,126,702.26	\$1,163,836.71	3.30%
Lloyds of London	\$512,500.00	\$512,500.00	0.00%
AIG Specialty Insurance Company	\$427,973.38	\$454,918.58	6.30%
Lloyds of London (Terrorism)	\$79,447.75	\$82,000	3.21%
Citizens	\$21,381.00	\$22,112.00	3.42%
Ace	\$30,003.00	\$34,462.00	14.86%
Lloyds of London	\$23,088.13	\$23,088.13	0.00%
Travelers	\$3,072.00	\$3,072.00	0.00%

Below is a premium summary for all of the Library's 7/1/2022 renewals if the Travelers Property option is selected:

Detroit Library Commission	Insurer	2021 - 2022	2022 - 2023	Annual Change
Total	Various	\$1,126,702.26	\$1,173,419.13	4.15%
Property	Travelers	\$1,019,921.13	\$1,059,001	3.83%
General Liability	Citizens	\$21,381.00	\$22,112.00	3.42%
Directors & Officers	Ace	\$30,003.00	\$34,462.00	14.86%
Fine Arts	Lloyds of London	\$23,088.13	\$23,088.13	0.00%
Commercial Crime	Travelers	\$3,072.00	\$3,072.00	0.00%

The DPL Committee on Finance is advising the Detroit Library Commission to authorize the Finance and Business Office to renew the insurance policies as recommended including the Travelers property option which changes the way the property is valued in the event of a total loss. Under the Travelers policy, the loss payment would be valued to completely rebuild the Library to its current integrity, complete with all of the ornamental finishes that make the Library a historical landmark. This renewal is for the time period from July 1, 2022 through June 30, 2023. The total amount of the renewal will not exceed \$1,173,419.13.

DISCUSSION

Commissioner Friley stated that Mr. Shane Storey and Mr. Justin Swarbick, Alliant Insurance Group, gave a thorough presentation regarding the insurance policies at the June 16, 2022 Committee on Finance meeting.

Commissioner Bellant asked the staff to research the cost of installation for backflow prevention and present the information to the Commission for evaluation.

Minutes were approved at the September 20, 2022 Commission Meeting

The installation of backflow prevention could possibly allow DPL to receive a 10 – 20 % discount on its flood insurance policy.

COMMISSION ACTION

Commissioner Hayden Friley moved approval to renew property, liability, fine arts, and commercial crime insurance policies for DPL. Commissioner Bellant supported.

A roll call vote was taken with the following results:

- | | |
|---------------------|-----|
| ➤ Bellant | Yes |
| ➤ Hayden Friley | Yes |
| ➤ Hicks | Yes |
| ➤ Peterson-Mayberry | Yes |
| ➤ President Jackson | Yes |

The motion passed unanimously.

Approval to Purchase Surveillance Equipment for Installation at Campbell, Chandler Park, and Elmwood Park Branches of the Detroit Public Library

The surveillance equipment at Campbell, Chandler Park, and Elmwood Park Branches is outdated and in need of a full replacement. The current systems operate using obsolete technology and have limited surveillance capabilities. Kenneth Gabriel of the Information Systems department has identified the equipment and supplies required to complete the surveillance upgrade project. The OMNIA Partners Cooperative Contract with B&H Photo of New York, NY, is a competitively sourced agreement that can be used to purchase the equipment. Kenneth Gabriel, PC Technician, Information Systems Department, will install, test, and maintain the equipment.

OMNIA Partners is the largest and most experienced purchasing organization for public and private sector procurement. Through the economies of scale created by OMNIA Partners public sector subsidiaries and affiliates, National IPA and U.S. Communities, DPL has access to competitively solicited and publicly awarded cooperative agreements.

In December 2020, OMNIA Partners requested proposals from qualified suppliers with the intent to enter into a Contract for Audio Visual Equipment, Accessories and Services.

B&H Photo won the resulting contract that was issued in April 2021 for use by public agencies nationally, including state and local governmental entities, public and private primary, secondary and higher education entities, non-profit entities, and agencies for the public benefit ("Public Agencies"), through OMNIA Partners' cooperative purchasing program. B&H Photo specializes in the equipment specified and requested by the Information Systems department. Equipment and related costs are as shown on the following page.

Therefore, the DPL Committee on Finance is advising the Detroit Library Commission to consider approving and authorizing the Finance and Business Office to purchase surveillance equipment to replace the current outdated systems at Campbell, Chandler Park, and Elmwood Park Branches. The equipment will be installed by Kenneth Gabriel, PC Technician, Information Systems Department, at a cost not to exceed \$55,086.96. This amount represents the full expenditure for all named equipment for all three branches plus a contingency of \$2,623 or (5%) to cover unforeseen items that may arise during the course of the project.

COMMISSION ACTION

Commissioner Hayden Friley moved approval to purchase surveillance equipment for installation at Campbell, Chandler Park, and Elmwood Park Branches of the Detroit Public Library. Commissioner Bellant supported.

A roll call vote was taken with the following results:

- | | |
|---------------------|-----|
| ➤ Bellant | Yes |
| ➤ Hayden Friley | Yes |
| ➤ Hicks | Yes |
| ➤ Peterson-Mayberry | Yes |
| ➤ President Jackson | Yes |

The motion passed unanimously.

Approval of the Routine Report on Finance

The following accounts have been examined and found correct by the staff of Business and Financial Operations and ratification of payment is recommended.

<u>Summary of Expenditures</u>			
<u>PUBLIC FUNDS</u>			
<u>PAYMENTS PROCESSED BY THE CITY OF DETROIT</u>			
1	Total Payroll	May 2022	\$765,177.40
2	Total For Vouchers – Processed on Fusion	After 3/13/20 listed by invoice number & date (processed off-site)	\$620,057.66
3	FY 22 Annual Retiree Supplement		\$0.00
4	FY 22 General Retirement System (GRS)		\$0.00
5	FY 22 Central Staffing Services		\$304,214.50
6	FY 22 Hybrid Pension Plan		\$0.00
7	FY 22 VEBA		\$0.00
8	FY 22 Debt Service Interest for 2014B(1) & 2014B(2) Notes		<u>\$281,902.05</u>
Total Processed by City of Detroit			<u>\$1,971,351.63</u>
<u>PAYMENTS PROCESSED BY DPL</u>			
1.	Public Funds/Comerica Checking	Check 1368	\$6,500.00
2.	Branch & Main Library Deposit Checking Account	Checks 7761 - 7774	\$19,367.15
3.	Branch & Main Library Deposit Checking Account	Electronic Funds Transfer (EFT)	<u>\$2,796.32</u>
Total Processed by DPL			<u>\$28,663.47</u>
GRAND TOTAL			<u>\$2,000,015.10</u>
<u>Summary of Expenditures</u>			
<u>RESTRICTED/DESIGNATED FUNDS</u>			
1.	Burton Endowment Checking	Checks NONE	\$0.00
2.	O'Brien Checking	Checks NONE	\$0.00
3.	Programs & Gifts	Checks 2969 -2970	<u>\$551,850.58</u>
GRAND TOTAL			<u>\$551,850.58</u>
<u>CREDIT CARD EXPENDITURES</u>			
1.	Executive Director		\$29.90
2.	Executive Director's Office – used for general office purpose		\$0.00
3.	Chief Financial Officer		\$0.00
4.	Human Resources Department		\$118.47
5.	Marketing Department		\$1,246.06
6.	Technical Services		\$661.95
7.	Facilities Department		\$8,472.47
8.	Information Technology		\$118.45
9.	Procurement		\$840.04
10.	Security		\$493.50
11.	Public Services		<u>\$257.07</u>
GRAND TOTAL			<u>\$12,237.91</u>
Note: These are April 2022 Credit Card Purchases			

NOTED

Commissioner Hicks asked to be excused from the meeting at 3:55 p.m.

COMMISSION ACTION

Commissioner Hayden Friley moved approval of the routine finance report.
Commissioner Bellant supported.

A roll call vote was taken with the following results:

- | | |
|---------------------|-----|
| ➤ Bellant | Yes |
| ➤ Hayden Friley | Yes |
| ➤ Peterson-Mayberry | Yes |
| ➤ President Jackson | Yes |

The motion passed unanimously.

NEW BUSINESS

Mrs. Mondowney said that she received a notice from DPL's lobbyist, Kelley Cawthorne, that said Senator Sylvia Santana introduced Senate Bill 1086 - A bill to amend 2018 PA 57, entitled "Recodified tax increment financing act," by amending sections 203, 303, 404, 618, 715, and 814 (MCL 125.4203, 125.4303, 125.4404, 125.4618, 125.4715, and 125.4814). A link to the legislation will be sent to the Commissioners.

OLD BUSINESS

Commissioner Hayden Friley suggested reconstructing the Committees so the bulk of the discussions can be held in the Committee meetings to reduce the time spent in the regular Commission meetings.

President Jackson said that he was open to make changes if any Commissioner would like to change or be added to a Committee.

ADJOURNMENT**COMMISSION ACTION**

Commissioner Bellant moved approval to adjourn. Commissioner Peterson-Mayberry supported.

A roll call vote was taken with the following results:

- | | |
|---------------------|-----|
| ➤ Bellant | Yes |
| ➤ Hayden Friley | Yes |
| ➤ Peterson-Mayberry | Yes |
| ➤ President Jackson | Yes |

The meeting was adjourned at 4:00 p.m.