



**Minutes of the Illinois Heartland Library System Board
October 22, 2013
Helen Matthes Public Library, Effingham, IL**

Call to Order

President Linda McDonnell called the meeting to order at 6:06 p.m.

Roll Call

Board Members Attending: Karen Bounds, Lynda Clemmons, James Fenton, James Matthews, Linda McDonnell, Susan Mendelsohn, Jacob Roskovensky, Erin Steinsultz, Nina Wunderlich.

Note: Ms. Steinsultz and Ms. Clemmons joined the meeting at 6:47 p.m.

Board Members Attending by V-tel: Libby Letterly, Betsy Mahoney

Board Members Attending by Phone: None

Board Members Excused: Valerie Green, George Trammell, Susan Tulis

Board Members Absent: None

Others Present:
Champaign: Joan Bauer, Beverly Obert, Bob Towner
DuQuoin: Troy Brown, Traci Edwards, Ellen Popit
Edwardsville: Chris Dawdy
Effingham: Rose Mary Barczewski, Leslie Bednar, Esther Curry, Juliette Douglas, Robert Jones, Mitch Schluter, Lawren Tucker, Peggy Durst
Illinois State Library: Pat Norris

Approval of Minutes

Nina Wunderlich moved that the minutes of the September 24, 2013 meeting be approved. Jacob Roskovensky seconded the motion. The motion passed unanimously by voice vote.

Financial Report

Rose Mary Barczewski distributed bound copies of the audits and financial statements for all funds except the general fund. General fund statements will be distributed next month. She reviewed the financial statements.

Future reports will show separate balances for each fund, since a separate bank account has been established for each fund.

SHARE libraries will receive invoices in the next two weeks.

Payment of Bills: The Finance Committee reviewed the bill list. There were still some invoices for the Decatur building, but those accounts should now be closed and no further expenses are expected. An additional payment to Cougar Mountain was made for webhosting in order to have continued access to the database for the audit. The committee also had a question about an invoice for copier maintenance for Decatur. Rose Mary has been asked to determine the current location of the Decatur copiers.

Susan Mendelsohn moved that the bills be approved as submitted. Nina Wunderlich seconded the motion. The motion passed unanimously by roll call vote.

As requested by the Illinois State Library, the credit card summary was included in the Board packet. Executive Director Leslie Bednar reviews and approves each credit card purchase. The credit card invoice includes an interest charge, which has been waived.

Susan Mendelsohn moved that the credit card summary be approved as submitted. Jacob Roskovensky seconded the motion. Discussion determined that approval of credit card purchases was included in the approval of the bill list. The motion and second were withdrawn.

FY2013 Single Audit:

Mitch Schluter from Martin, Hood, Friese and Associates reviewed the single audit required due to the receipt of federal funds in excess of \$500,000 in FY13. This audit will be submitted to the Data Auditing Clearinghouse, which will, in turn, forward it to the appropriate federal agency. Due to the recent federal government shut down, the deadline for submission has been extended to December 31, 2013.

- There were no noncompliance issues
- Two material weaknesses were found concerning OCLC and bank reconciliation.
- OCLC bank reconciliations must be done in a timely manner and reviewed by management.
- OCLC transactions need to be recorded in the ledger in a timelier manner.
- Bank reconciliations must be done on a regular basis and be reviewed by a second party.
- Timesheets should be approved consistently by management. Existing procedures for payroll should be enforced.
- IHLS staff has submitted a plan to correct these issues.
- Mr. Schluter stressed that these findings were for FY13, and most findings have already been corrected.
- There were four items that the auditing firm did not consider a significant deficiency or material weakness, but were listed in order to bring them to the attention of management so that they can be corrected:
 - Need for a disaster recovery plan for information technology in all locations.

- Need for detailed descriptions of all accounting staff job duties for daily, weekly, monthly, quarterly and yearly functions.
- Need for clarification of accumulated vacation policy.
- Need to insure accurate payroll documentation in personnel files.

Jacob Roskovensky moved that the Board accept the single audit as submitted. Karen Bounds seconded the motion. The motion passed unanimously by roll call vote.

Other:

Rose Mary Barczewski reported that IMRF has also requested and performed an audit of IHLS IMRF records.

Mr. Schluter left the meeting.

Public Comment

None.

Erin Steinsultz and Lynda Clemmons joined the meeting.

Communications

Leslie Bednar reported that several staff attended the ILA Conference in Chicago and IHLS and RAILS received a check from Secretary of State Jesse White for the eRead Illinois grant for \$985,219.

IHLS was also honored to receive Demco's Hugh Atkinson Award for Resource Sharing. The System was nominated by Carbondale Public Library for bringing 300+ libraries together on one database.

At the ILA Conference, Leslie also spoke to representatives of the Soon to be Famous Illinois Author Project and IHLS is partnering with them to spread the word about their project.

Linda McDonnell read a thank you from Karen Bounds for the plaque presented to her for her service as the first IHLS Board President.

Staff Report

Staffing Activities:

The report was included in the Board materials.

Staff Update:

Jacob Roskovensky moved that the Board approve the Staff Update. Karen Bounds seconded the motion. The motion passed unanimously by voice vote.

Secondary Employment:

Karen Bounds moved that the Board go in to closed session pursuant to Section 5 ILCS 120 § 2(c)(1). Jacob Roskovensky seconded the motion. The motion passed unanimously by roll call vote. Closed session began at 7:03 p.m.

The Board returned to open session at 7:05 p.m.

Personnel:

Karen Bounds moved that the Board go into closed session pursuant to Section 5 ILCS 120 § 2(c)(1). Libby Letterly seconded the motion. The motion passed unanimously by roll call vote. Closed session began at 7:07 p.m.

The Board returned to open session at 7:25 p.m.

Jacob Roskovensky moved that the Board concur with the recommendation of the Executive Director concerning secondary employment for IHLS staff. Nina Wunderlich seconded the motion. The motion passed unanimously by voice vote.

ISL Report

Lawren Tucker and Robert Jones reported on a number of grant opportunities and surveys that the Illinois State Library is asking libraries to complete. Several deadlines are quickly approaching.

- The ILLINET survey deadline has been extended to December 31, 2103.
- The FY14 School District Library Grant application is now available online. Deadline is 11/22/13.
- IMLS is asking Libraries to complete the Digital Inclusion Survey by November 15. In addition, public libraries are requested to complete a Capital Needs Assessment Survey by October 25.
- The Back to Books grant offering through LSTA is back. Applications are due November 22 for libraries of any type. The minimum grant is \$1,000 and the maximum is \$5,000.
- The TryIt! Illinois trial period ends November 30, 2013.

SHARE Report

The SHARE Executive Council will meet on October 23.

There has been a very positive response to the eRead Illinois newsletter sent out on IHLS Announce. Participating libraries may submit information to be plugged into a preset formula that will determine pricing.

Operations Report

The report was included in the packet.

Grants Report

No Report.

Membership Report

No Report.

IT Report

No report.

Committee Reports

Executive Committee:

The Executive Committee met on October 14 and discussed the committee calendar, Board survey, the Board vacancy, the IMRF audit, reviewed the Plan of Service, and received updates on facilities and grants.

Policy Committee:

The Policy Committee met on October 10. They discussed the proposed revisions to the Plan of Service and Financial Policy suggested by the Illinois State Library in their response to the IHLS FY14 Area & Per Capita Grant application.

Personnel Committee:

The Personnel Committee is having difficulty finding a time that is convenient for all members to meet. The committee is considering the Executive Director's job description and contract, plus several other things. They may need to have two meetings prior to the November Board meeting.

Membership Committee:

The Membership Committee met for the last time and discussed the application of Danville Schools. Although Susan Tulis could not be present at the Board meeting, she asked Ellen Popit to report that the Membership Committee supports the change in Bylaws to eliminate the committee.

Finance Committee:

The committee met on October 16 and discussed the audit, amendments to the budget, and the response to the Illinois State Library's request for changes to the Area & Per Capita Grant application, including the language changes for the Financial Policy.

Susan Mendelsohn stated that the committee is interested in how any changes in the calculation of SHARE fees and the addition of new SHARE libraries will impact the IHLS budget. She also indicated that Libby Letterly strongly recommended that the SHARE Finance Committee be included in any discussions on changes in SHARE fees. Leslie Bednar stated that there has not yet been any discussion of the determination of any future SHARE fees.

Facilities Committee:

The committee met on October 9. They received an update on the three facilities. The move from Decatur to Champaign is complete. As consolidation continues, and staff settle in, there will be more surplus items to dispose of. The sale of the property in Edwardsville is moving along. The committee also reviewed the move to DuQuoin and several issues there that need to be addressed. There was concern about mold in the building, but it has been determined that there is no health hazard. New items to consider include the need to rework the loading dock in Champaign, a leak in the roof in DuQuoin, driveway and parking lot repair and paving in Edwardsville.

Unfinished Business

Real Estate Update:

The closing for the sale of the two lots in Edwardsville is scheduled for November 14.

Proposed Bylaws Change:

James Fenton asked that this agenda item be moved to appear after the Membership Recommendation.

Delivery Holiday Survey:

A copy of the Delivery Holiday Survey was included in the Board packet. Leslie Bednar stated that the staff recommendation is to add delivery on Veterans Day and Presidents Day. If full-time staff are impacted, they will be allowed to take a different day during the same pay period. The cost for two additional days of delivery is approximately \$3,500 per year.

Jacob Roskovensky moved that the Board approve adding delivery service on Veterans' Day and Presidents' Day. James Matthews seconded the motion. The motion passed unanimously by voice vote.

New Business

Illinois State Library Response to IHLS FY2014 Area & Per Capita Grant Application:

Proposed Revisions to IHLS FY14 Plan of Service:

Leslie Bednar stated that the revisions to the FY14 Plan of Service were made at the request of the Illinois State Library and have been reviewed by the Executive, Policy and Finance Committees. Susan Mendelsohn moved that the Board approve the Amended Plan of Service for FY14, with corrections. Nina Wunderlich seconded the motion. The motion passed unanimously by voice vote.

Proposed Change in Financial and Procurement Policy:

Erin Steinsultz moved that the Board approve the amended Financial Procedures and Procurement Policy to clarify credit card/account purchases. Karen Bounds seconded the motion. The motion passed unanimously by voice vote.

Budget Revisions

Rose Mary Barczewski reviewed the amended budget as requested by the Illinois State Library. Changes include:

- WebJunction funding was changed from 12 months to 3 months.
- Capital Outlay was increased by \$73,500. The original budget included 4 delivery vans, but IHLS was encouraged to replace older vehicles in a more timely manner, so the amended budget includes the purchase of 5 delivery vans, one box truck and one staff vehicle.
- The SHARE budget was amended to include staffing support for the eBooks Illinois grant.

Nina Wunderlich moved that the Board approve the Amended Budget as presented. James Fenton seconded the motion. The motion passed unanimously by voice vote.

Open Board Seat

Nina Wunderlich moved that the Board appoint Nancy Huntley, Lincoln Library, Springfield to fill the Board vacancy left by Joan Rhoades' resignation. Susan Mendelsohn seconded the motion. The motion passed unanimously by voice vote.

Surplus List (DuQuoin)

Karen Bounds moved that the Board approve the list of surplus property at the DuQuoin office to be distributed to IHLS libraries at no cost. James Matthews seconded the motion. The motion passed unanimously by roll call vote.

Susan Mendelsohn asked for clarification on the appropriate methods of disposing of surplus property. Lawren Tucker stated that the property should be offered to Illinois State Library and other libraries for their use, provided they are willing to pay what the system asks. There is no requirement to place a value on the surplus items. The method IHLS is using is appropriate.

Membership Recommendation

Karen Bounds moved that the Application for Membership of Danville Schools be approved as submitted. James Matthews seconded the motion. The motion passed unanimously by voice vote.

Bylaws:

Betsy Mahoney moved that the Board approve the amended Bylaws as presented. Lynda Clemmons seconded the motion. The motion passed unanimously by voice vote.

Board Survey

The results of the Board Survey were distributed. The results are:

- There will be no change in meeting time.
- Coffee and light snacks will be provided.
- A complete board packet will be emailed to Board members, and individual documents will also be available on the IHLS website.
- Agenda items will be designated Action or Information.

Public Comment

None.

Announcements

Linda McDonnell will appoint an ad hoc Long Range Planning Committee.

Jacob Roskovensky asked how the money from the Demco award will be used. Leslie Bednar replied that it has been put in the SHARE reserve fund.

Linda McDonnell encouraged Board members to read the article on trustees in the new issue of Public Libraries.

Adjournment

Karen Bounds moved that the meeting adjourn. Jacob Roskovensky seconded the motion. The motion passed unanimously by voice vote.

The meeting adjourned at 8:29 p.m.