



Statement by Thomas W. Galante, Queens Library President & CEO

New York City Council Committee on Cultural Affairs, Libraries and International Intergroup Relations Jointly with the City Council Committee on Finance and the Sub Committee on Libraries

Oversight: Queens Library Operations

February 5, 2014

Good morning. I am Thomas Galante, President and CEO of Queens Library and with me today is Bridget Quinn-Carey, Chief Operating Officer of Queens Library. I would like to thank the Chair of the Finance Committee, Council Member Julissa Ferreras; the Chair of the Cultural Affairs, Libraries and International Intergroup Relations Committee, Council Member Jimmy Van Bramer; the Chair of the Sub Committee on Libraries, Council Member Costa Constantinides; Queens Delegation Chair Mark Weprin; the Speaker of the City Council, Melissa Mark-Viverito and all the members of the committees and City Council. I appreciate the opportunity to testify today. I share the City Council's commitment to transparency.

I want to thank the City Council for the many years of support you have shown public libraries. We have accomplished so much together for the people of Queens. As many of you know, the Queens Library is recognized as one of the best public libraries in the world. Under my leadership, we became the busiest public library in America. In 2009, we were selected from all the libraries in the country as the Library of the Year. We pride ourselves on being innovative and forward thinking.

I want to say up front that the Queens Library welcomes a complete audit of City taxpayer funds by City Comptroller Stringer. We have always welcomed their recommendations and suggestions by the financial audits that they complete of the Queens Library on a regular cycle.

Queens Library is a non-profit corporation. We were founded by Andrew Carnegie on the premise of a private institution that would deliver a public good, free information and resources to anyone seeking to improve their lives. Today, we remain more committed to that mission than ever before.

The Queens Library operates 62 community libraries, 7 adult learning centers, 2 literacy centers, a library for teens and the Children's Library Discovery Center.

We are among the largest employers in the borough, with an annual operating budget of \$125 million and a capital budget of \$327 million. Through this private-public partnership, and importantly, with the robust leadership and consistent support of this City Council, we are delivering for the 2.3 million people in Queens. Last year, over 650,000 people, more than ever before, took advantage of a program offered at the Library to enrich their lives.

Public libraries today are so much more than books and computers. We have to be innovative to keep up with the changing world of information and technology. We have to be part community center, part educational institution and part technology company.

I am proud to be the President who leads this great organization through such dynamic times for libraries. I started at the Library as a business manager in 1987. My education includes a Bachelor's Degree in Business Administration, a Master's Degree in Business Administration, and a Master's Degree in Library and Information Science. In 2005, after a nationwide search, I was given the opportunity to lead the Library when the Board of Trustees selected me for this position. We agreed to compensation at the same level as other New York City non-profits of similar size and scope, which is where it remains today. I know I am very fortunate to be able to work for an organization I love that has real value helping people throughout Queens. We have tens of thousands of success stories every year.

I know more than anyone that the single most valuable asset we have for continued success is our dedicated employees. The Library employs over 1,600 people across the borough. The team includes librarians, clerks, custodians, program and support personnel. Queens Library employees are incredibly diverse and our retention rate is very high. We hire and retain great people for a great cause.

Let me be very clear: I hold each member of the Library team in the highest regard. I deeply regret published comments that appeared insensitive to the hard work of our custodians and gave the wrong impression of the values I hold. I have apologized to my staff and I extend that apology to each of you today as well. I value the work of all our employees and the Queens Library supports professional development and advancement on every level. I, too, am a product of that organizational value and am committed to it for every one of our employees.

Unfortunately, our hard working employees have not seen general wage increases since 2008, which is a matter of their contract, negotiated between the City and the Union on a city-wide basis and not within the Library's control. That said, since 2008, the Library has provided 513 well-deserved promotions for our employees. This includes 33 custodial, maintenance & logistics employees, 63 clerical employees and 331 librarians. These individuals were recognized for their hard work, and rewarded with higher titles and well-deserved salary increases. Last

fall, we developed and implemented a reclassification of the community libraries that created promotional opportunities for public service employees across all categories, resulting in 15 of our custodial employees being promoted in the last month.

The Great Recession took its toll during that same time. Beginning in 2008, we saw multi-million dollar government operating funding reductions every six months. Today, our government operating funding is \$16 million (or 17%) less than it was in 2008. Since 80% of our operating budget funds the cost of employees to operate our libraries, these significant funding reductions resulted in a hiring freeze and the reduction of 253 positions. Had it not been for the City Council, working so hard to push back the Executive operating budget reductions the prior five (5) years, the reductions would have been much greater. For example, this past June, we faced an additional \$30 million proposed operating funding reduction, which was fully restored by our hardworking and dedicated City Council members.

With the support of the City Council through budget negotiations, smart management and by implementing operating efficiencies, the Library has been able to maintain strong public service. We have preserved those crucial after school hours between 3 p.m. - 6 p.m. at every single community library from Monday through Friday, with Saturday and/or Sunday service in 20 locations. By way of historical comparison, after the recession in 2001, just 13 libraries were open for service on the weekend. In the 1991-92 recession, 18 community libraries (nearly a third) were open just 2 or 3 days per week. In short, through your efforts and ours, we delivered more days of service through these tougher times, when people were most in need of those critical resources.

Even so, difficult decisions had to be made along the way. One in particular is the use of contract cleaners, which I know is a concern. A challenge we faced was keeping the same number of facilities open with 20 fewer custodial employees. Though incredibly hard working, it became impossible for the reduced custodial staff to maintain the standards of cleanliness that our employees and public expect and deserve. Our custodians are the best there are. They handle a wide variety of responsibilities that are crucial to library operations. However, given the operating funding reductions and looming operating budget reductions in the City's Financial Plan, it became necessary to further supplement their work with contract cleaners. The right to do so was negotiated between the Union and the Library. Not a single custodian lost his or her job.

I have the highest regard for our hard-working employees, for the Union that represents them, and for the Union leadership. We have worked towards our common goals for many years to deliver for the community. We do not always agree. But we share a commitment to high quality

library service; to more good jobs that people can raise families on; and to working together to make a significant difference in people's lives.

I share in a long-term vision of a robust workforce. There is good news. The fiscal forecast for the Library is improving, with government operating funding stabilizing for the first time in many years this past July. The City Council negotiated a full restoration of library operating funding last year and that was maintained throughout this fiscal year.

We have received no mid-year City operating budget cut for the first time in six (6) years. As a result, our workforce has remained constant for nearly a year. In fact, last month we decided to fill newly-vacated custodial and clerical positions. Additionally, in the coming year, if the fiscal trends continue, we expect to be able to reduce reliance on contract cleaning significantly, eliminating six locations that are currently cleaned by contractors, and hiring full time employees. These are welcome changes and a long awaited turning point I think we can all feel good about.

During the years that operating funding was reduced, capital funding for building improvements remained robust. We seized the opportunity to renovate and upgrade our facilities, so that as the economy improves, Queens Library is positioned to be better than ever before. Moreover, through private fund raising and grants, our program areas have expanded into new, important directions to serve the immediate needs of our patrons, such as better access to job training and preparation for the new High School Equivalency exams. Capital investments have improved the physical environment and we are nearing a full recovery from Hurricane Sandy.

With the support of our elected officials, all around the borough we have been able to upgrade, expand and improve our facilities for the public and employees alike. Investment in the physical buildings is essential for many reasons: to deliver forward thinking, innovative services to the public; to implement a new service model for the future; to protect the long term integrity of the facility, and to meet the rising demand for library space. Renovations always consider all public and all employee areas; they include installation of the most up-to date customer service and materials handling technology; all while respecting the unique character of the individual location and community that the library serves. Many of our libraries had not been fully renovated since they were built or for many, many decades.

In short, the capital investments that you make mean that more people gain access to free programs and resources. We have seen the results in the community time and time again:

- When the new Queens Library at Glen Oaks opened in June 2013, replacing an old library that was half the size, it shot up to one of the highest circulating libraries in the borough. In the old building, it was consistently in the bottom third.

- In Corona, a 2005 renovation expanded the library by 50 percent (7,000 square feet). When it reopened, program attendance skyrocketed 56%.
- Last year, the Library purchased commercial space and converted it into the new library at Mitchell-Linden. This reduced rental expense costs for the old rental library building. Now, we have a beautiful new library for the public, all new work areas for our employees, at the same cost as in the old, outmoded building. We've more than doubled visitorship in the new location and program attendance is also up 30 percent.

The list of innovative, positive community investments goes on, and includes the modernization of the Queens Library in Jamaica, which provides extensive library services for the surrounding community. It is the main research facility for Queens. It houses all the support departments to administer the 62 libraries in the borough and achieves economy through centralized operations.

The building is by far the largest library in the system and among the busiest. It was built in the 1960's and was badly in need of renovation to incorporate information technology and to make the library more interactive and responsive to customer needs. The objectives of the project are:

- To return the Queens Library in Jamaica to the world-class library its patrons deserve through a complete reconfiguration and renovation of all public areas on all levels.
- To modernize public and employee spaces including the first floor Teen, Adult and Cyber areas, lower levels, and second floor support department areas.
- To implement self-service technology that allows 24/7 returns and automatic return and sorting system that handles two (2) million volumes annually.
- To increase the space of the Adult Learning Center through construction and outfitting to serve more people seeking English Language Learning and Adult Basic Education.
- To upgrade the auditorium and adjacent community rooms and restrooms in the lower level that will attract marquee and high-profile authors and speakers to Queens.
- Updating the 47-year-old, inefficient infrastructure to be energy and cost efficient.
- To consolidate 6,000 square feet of office space and 5,000 square feet of public space currently housed in a nearby rental facility into the second floor of this building to save \$156,000 in ongoing annual rental costs. Over the expiring 15-year lease period, this is an operating expense that has totaled \$1.8 million, which we now are able to achieve in savings beginning next year.

Given the size of the building, and the importance of remaining open to the public, the initiative has been structured in phases. The scope of work at this library is in line with the work done at every other library that has been renovated in the past eight (8) years. Thirty-seven (37) community libraries have been fully renovated for the public and the employees – including furniture to replace decades-old furniture and equipment.

The first floor renovation for the public includes a new Cyber Center with 72 public computer terminals, a technology training room, and a media center to lend popular video and audio. The Adult Services and reading area, including a dedicated job and business academy area as well as a consumer health and reference desk, Quiet Study Area, and a Teen Library. These areas have been completed. Construction is now underway for the circulation services area, followed by the creation of a café and soft seating area for customers. City Council funding paid for these costs, and will partially fund improvements to the façade, providing great value to the public and attracting more users. Visitorship is up 8% in the past year alone.

The modernization of the library also includes the reconfiguration and renovation of centralized services that support the 62 libraries throughout the borough. This includes 12 support department and division offices, such as Information Technology, which ensure the network of 1,800 public computers remains operational. The modernization also includes offices such as the Logistics and Security Management Department, Finance Department, Cataloging Department, President's Office, and conference areas for collaborative work and meeting spaces.

In addition, the Archives, which houses a historical collection about the borough, is being relocated and a large, humidity-controlled, secure storage area constructed for archival and historical documents. The lower level improvements will also include renovating the public auditorium, and adjacent community rooms, as well as the construction of a new Adult Learning Center. The Center will be significantly larger and will be integrated into the main library building.

The infrastructure of the entire facility will also be upgraded as it is 47 years old, and much of it is inefficient, often in need of repairs, and a strain on operating funds. This includes roof replacement, masonry restoration, new large clearstory windows, new HVAC system, elevator reconstruction, fire alarm system, security systems, garbage compactor system and sewer ejector pumps. The self-service technology with materials handling and sorting systems is already installed and operational, providing 24/7 access and handling thousands of items a day.

The City Council has allocated \$3.9 million in Capital funding, with the balance of this \$20 million initiative from Executive, Library revenue and grant sources. When complete, the investments will include \$8.3 million for the first floor public service and employee areas; \$2.1 million for the second floor support services and department areas; \$7.6 million to upgrade

exterior and infrastructure; \$900,000 to build the new Adult Learning Center, and \$1.1 million for the new auditorium and meeting rooms. The \$2.1 million capital expenditure for the renovation and outfitting of the second floor office areas will be fully offset by operating budget savings achieved by eliminating the lease of nearby office space.

From day one, this project, like any capital expenditure, has been subject to a series of internal and external controls and oversights. Financial activity for all construction involves procurement through competitive bidding and requirements contracts and adherence to the Library's procurement policies. In addition, for City-funded construction, a thorough review of all expenditures is conducted by the City's Department of Design and Construction and the City Comptroller's Office.

I would like to address the renovation of the Executive office space, which has raised questions. When the design team began to reconfigure and redesign this area, we made choices to foster teamwork and innovative thinking. We took the office space that had previously served directors and turned it into an open work area. We then created a much smaller traditional office with a desk.

During the design process of the support offices, an idea was raised that we could turn underutilized space on an adjacent roof into usable meeting space. We thought it would be an efficient way to create a work area and meeting space. It is much less costly than brick and mortar construction. It has been used extensively for staff and management work sessions, group and one-on-one meetings, to host visitors from other libraries and our many external partners. This work was completed with non-governmental funds; no taxpayer dollars were expended on it; we decided it was a sensible approach to utilizing otherwise dead space.

Overall, the reconfiguration of the executive office space, including all meeting areas and exterior work area and furniture, cost \$132 per square foot. In comparison, the average cost for interior renovations and furniture for the first and second floors is \$149 per square foot, and the cost for similar City-managed interior renovations in community libraries, that includes public and employee areas, is more than double that amount. All of the work was subject to the same set of thorough checks and oversights as the rest of the project.

Libraries are important to all of us. In Queens, we don't have branch libraries. We have community libraries. Queens is a place of neighborhoods. The library is at the heart of them. They are the place you recall learning to read or spending long after school hours. They are the place you go to gather with friends and neighbors and find a familiar face ready to help. There are countless stories being told, lives being changed, every day, in every corner of the borough in a community library, at this very moment. This is the important work we do and I look forward to continuing it together.

I appreciate the opportunity to testify today. I welcome your questions.



MELINDA KATZ
PRESIDENT

(718) 286-3000
web site: www.queensbp.org
e-mail: info@queensbp.org

CITY OF NEW YORK
OFFICE OF THE
PRESIDENT OF THE BOROUGH OF QUEENS
120-55 QUEENS BOULEVARD
KEW GARDENS, NEW YORK 11424-1015

Testimony of Queens Borough President Melinda Katz before the Committees on Finance and Cultural Affairs, Libraries and International Intergroup Relations and the Subcommittee on Libraries on Oversight of the Queens Library Operations

February 5, 2014

Good morning Chair Van Bramer, Chair Ferreras, Subcommittee Chair Constantinides and Members of the Finance Committee, Subcommittee on Libraries and the Committee on Cultural Affairs, Libraries and International Intergroup Relations. I am Queens Borough President Melinda Katz and I am pleased to be here this morning to talk about something near and dear to my heart, the Queens Public Library, one of the few institutions that truly unifies the Borough.

The Queens Library is an amazing, unique library system, not only because it has one of the largest circulations in the country, with over 18.6 million items circulated in FY 12, but also because it serves the most diverse municipality in the country with vital programming like adult literacy, computer skills, after school activities and job readiness training. Millions of residents use the Queens Library each year not only to access its expansive collection, but to take advantage of the free programming that has made it a cornerstone in the lives of so many families in the Borough. As the President and the Borough's biggest fan, I can certainly learn something about branding from the Queens Library; there isn't a subway car in Queens where someone isn't carrying what is by now the iconic yellow and white bag, a testament to the role the Queens Library plays in the lives of the people of the Borough. It is an institution that has served the Borough and its residents well for generations.

Bar none, the Board of Trustees of the Queens Library is one of the most prestigious Boards that one could have the privilege to serve on. As the elected official designated to appoint half of the nineteen Trustees to the Board, with the other half appointed by the Mayor alternately, I take that responsibility very seriously.

In FY 13, the City of New York allocated over \$137 million dollars in capital and expense money including \$31.7 million dollars in mayoral capital and \$19 million dollars in Council and Borough President capital money combined and; and thus far in FY 14, the City has allocated over \$121 million dollars in capital and expense money including \$35 million dollars in mayoral capital and \$22 million dollars in Council and Borough President capital money combined. This is New York City taxpayer money. It is therefore imperative to me, to the Administration, to the Council, to the residents of Queens and to the City taxpayers that there be transparency in the process by which the Library chooses to spend that money. And, most importantly, the Library must hold itself accountable to the citizenry it was created to serve. The Library must hold itself accountable for maintaining infrastructure, implementing core programs and making wise budgetary decisions that will not only benefit the Library users of today, but the generations of Library users to come.

I have not lost sight of the context for which we are here today and I, like many of you, take the issues that were recently raised by the media very seriously. Certainly the results of this hearing and the audit being conducted by Comptroller Stringer's Office will go a long way in shedding light on the decisions made and I welcome both. But that is not the only reason we are here; we are here today because we need to re-establish the trust and build back the faith in a Library system that has served this City so well.

I also believe that the airing of these issues presents a great opportunity for the Board of Trustees to take a necessary, fresh look at its policies, procedures and protocols to insure that it is exercising proper governance and robust oversight. Any institution, even the best run, can benefit from a self-diagnostic that identifies which policies and procedures work well and which ones need to be revisited or revised.

So for example, regular Board training for the Trustees on items such as how to read financial statements and budget documents or the establishment of an audit committee that would hold pre and post conferences with the auditors would be measures that I would suggest be implemented here, in addition to a regular review of executive compensation.

And there needs to be a simplified way for the stakeholders here today, and the public that supports this great institution to have visibility into the process by which the Library decides to spend their dollars...it should be self-evident.

The Trustees must be vigilant and in my view, exercise their fiduciary role to its fullest extent. At the end of the day, we all must hold the Library accountable as to how taxpayer dollars are spent and the process by which it is done. Ensuring that this institution has rock solid procedures based on the "best practices" in the sector is my commitment to you, to the Mayor, to the residents of Queens and to the taxpayers of the City. I believe that we are at a special point in time where all the stakeholders can come together in a constructive, collaborative way to get answers to our questions and together, to make changes that will elevate the Queens Library to the next level of greatness and so that it can be held up as an example of what good governance and effective oversight can achieve. Thank you.

NEWS FROM . . .



MELINDA KATZ

QUEENS BOROUGH PRESIDENT

120-55 Queens Boulevard
Kew Gardens, New York 11424

Press Contact: Michael Scholl
(718) 286-2640 (office) (646) 257-0316 (cell)

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STATEMENT FROM BOROUGH PRESIDENT KATZ ON THE QUEENS LIBRARY

I applaud Jimmy van Bramer, the City Council's majority leader and the chair of the Council's Cultural Affairs and Libraries Committee, for calling an oversight hearing on the Queens Library and the recent disclosures about certain expenditures made by the President and CEO. The Queens Library serves over 2 million people and has one of the highest circulations of library books and materials in the country. The millions of Queens Library users, along with the taxpayers of New York City, are entitled to transparency surrounding the operation of the Queens Library, which receives the majority of its operating expenses from the City of New York. The public has a right to know the Library's process for making spending decisions.

As part of this transparency effort and in furtherance of my responsibility as the Borough President, I will be speaking with the Trustees appointed by this Office to discuss the process by which funds were allocated to the various capital projects and programs. I will also review Board minutes, relevant Committee minutes and any other documentation provided to the Board of Trustees at the times budget and funding decisions affecting the Library were approved. Governance, robust reporting and adequate internal controls are vital to the successful operation of the Queens Library. I am therefore committed to working with the Council, the Mayor's Office and the Queens Library leadership to ensure we have all those components in the proper balance. I am equally committed to ensuring that the public has both confidence and visibility into the proper running of the Queens Library.

For more than a century the Queens Library has served what has now become the most diverse municipality in the entire country by offering valuable learning opportunities and crucial educational services and by fostering a love reading among people of all ages and backgrounds. Its success is due to the hard work and dedication of the Library staff, including all of its custodial and administrative staff and its librarians. I want to personally thank them for their service. Without them the Library would not be the great institution it is today. Greater transparency and accountability will only help the Queens Library to become an even more valuable institution for our borough for generations to come.

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