

METROPOLITAN LIBRARY COMMISSION OF OKLAHOMA COUNTY

ADMINISTRATIVE & PERSONNEL COMMITTEE AGENDA

REVISED

Members: Hugh Rice, Chair
 Raul Font
 Cynthia Friedemann
 Helene Harpman
 Mukesh Patel
 Sharon Voorhees

Tuesday, June 7, 2016 at 3:30 p.m.
Downtown Library
300 Park Avenue
Oklahoma City, OK 73102
Telephone: (405) 231-8650

- I. Call to Order and Establishment of Quorum – Mr. Hugh Rice, Chair
- II. Discussion, Consideration, and Possible Action: Revisions to MLS Policy and Procedure Manual
 - SH 310 Prohibiting Future Hiring of, or Contracting to Hire, Close Relatives of Commission or Staff
 - AS 300 Proposals for New Automation
- III. Discussion, Consideration, and Possible Action: Annual Review of Human Resources – Salaries
- IV. Discussion, Consideration, and Possible Action: Executive Session

To discuss the employment, hiring, appointment, promotion, etc., of the Executive Director pursuant to the Oklahoma Open Meeting Act, Title 25, Oklahoma Statutes § 307, (B)(1)
- V. Discussion, Consideration, and Possible Action: Return to Open Meeting
- VI. Discussion, Consideration, and Possible Action: Recommendation regarding Compensation & Benefits for Executive Director

REPORT AND RECOMMENDATIONS FROM ADMINISTRATION

REVISIONS TO THE METROPOLITAN LIBRARY SYSTEM POLICY AND PROCEDURE MANUAL

Metropolitan Library System policies contained in the Policy and Procedure Manual periodically require updating as a result of decisions or recommendations from the Library Commission, changes in federal and state laws and regulations, and the necessity to operate the library system in a more efficient, effective manner.

The Library's administration recommends for your consideration revisions to SH 310 Prohibiting Future Hiring of, or Contracting to Hire, Close Relatives of Commission or Staff and AS 300 Proposals for New Automation.

SH 310 Prohibiting Future Hiring of, or Contracting to Hire, Close Relatives of Commission or Staff – Revisions Recap:

The revision will qualify the circumstances in which hiring of close relatives of current Library staff and members of the Metropolitan Library Commission will be acceptable. While the Administration supports the prohibition of employment of related individuals into the same reporting/budget line, we also believe that an overly aggressive policy can limit the library from hiring the best qualified person due to their familial relationships.

AS 300 Proposals for New Automation—Revisions Recap: Administration proposes the elimination of this policy. This policy was adopted in 1994, when procedures were different and staff acquisition of software was a problem and a threat to the computer network. Currently, staff computers do not permit users to download new software without an administrative username and password. For this reason, supervisors must make all software requests to the IT department. We propose that this policy is repealed and replaced with a procedure.

RECOMMENDATION FOR COMMITTEE ACTION

To approve the recommendations from Administration for adoption to the Metropolitan Library System Policy & Procedure Manual revisions to SH 310 Prohibiting Future Hiring of, or Contracting to Hire, Close Relatives of Commission or Staff and AS 300 Proposals for New Automation.

SH 300 Employment

SH 310 ~~Prohibiting Future Hiring of, or Contracting to Hire,~~ ~~Close Relatives of Commission or Staff Nepotism~~

Adopted: 6/86, Revised: 3/97, 2/03, draft 06/16

Definition of "close relative:"

~~Spouse or child, parent, grandparent, grandchild, brother or sister of any current library employee and Commission member and their spouse's child, parent, grandparent, grandchild, brother or sister including relationships created by marriage such as a father-in-law, daughter-in-law, etc. A stepchild, legally adopted or foster child, stepparent, half-brother and half-sister are also considered a "close relative."~~

Policies

- ~~1. Effective June 19, 1986, the Metropolitan Library System will not knowingly hire or contract with anyone for employment who is a close relative of any current library employee or Commission member.~~
- ~~2. Policy #1 does not apply to those closely related persons currently working for the system as employees or contractors as of that date; i.e., employed and related before this policy took effect.~~
- ~~3. Future employment applications or proposals to contract for employment will require applicants or prospective contractors for employment to attest that they are not a close relative of any current library employee or Commission member; willful misrepresentation of such relationship to obtain employment will be grounds for immediate termination of employment.~~
- ~~4. Unrelated employees or contractors working for the same supervisor or in the same library agency or office and who marry or become in-laws while so employed become subject to this policy.~~
 - ~~A. One or the other of the newly related under those circumstances will be subject to transfer to a suitable position (determined by the system) under a different supervisor or in a new location.~~
 - ~~B. The newly related couple will have the option of choosing who will transfer, if that option is in the best interests of the library system.~~
 - ~~C. If the newly related couple is unable to reach agreement as to who will transfer, the library system will decide on the basis of least seniority in the system.~~

~~D. If no transfer opportunity arises that is mutually agreeable to the system and the employee within six (6) months following notification of the need for the transfer, the library system may terminate the employment of the one with least seniority~~

~~in the library system, subject to due process and grievance procedures when applicable.~~

~~5. While the Commission cannot legally prevent the appointment of new library commissioners who are closely related to library employees, the Commission strongly suggests that officials and bodies with appointive power avoid such practice.~~

~~6. In cases where a new Commission member is appointed who is closely related to a library employee, the latter will retain his or her employment status.~~

(A) It is the position of the Library that all employees should enjoy the same treatment. As such the Library has implemented a nepotism policy to prevent unfairness in the employment relationship between related parties. Nepotism is the exercise of preferential treatment based upon relationship rather than merit, and is prohibited by the Metropolitan Library Commission. A Library employee may not directly influence decisions related to the recruitment, hiring or the terms and conditions of employment of a close relative.

(B) An employee's close relative may be considered for employment or contract work, subject to the review and approval of the Director of Human Resources and executive director, and providing the two would not be employed in the same department or line of supervision, and that the employee or applicant is not one of the following:

- (1) the executive director
- (2) any deputy executive director
- (3) current member of the Commission
- (4) Because of the sensitivity of certain positions, close relatives of staff in or applying for positions in the following departments shall be considered on a case-by-case basis: Human Resources, Finance and Business, Information Technology, or Security.

(C) Unrelated employees working in the same department or line of supervision and who become close relatives while so employed become subject to this policy. The Library requires that close relatives disclose their relationship to the Director of Human Resources, annually, or sooner if the relationship arises prior to the date the disclosure is due. Disclosure of the relationship is required when either of the following circumstances arise:

- (1) The employee is called upon to participate in a personnel action involving the person with whom the employee has such a relationship, as described in SH 310 (E); or
- (2) The employee is in the supervisory chain of the person with whom the employee has such a relationship as described in SH 310 (D).

(D) Relationships subject to disclosure, within the supervisory chain of command, up to and including the positions listed in SH 310 (B):

- (1) Relatives – For purposes of this rule, “close relative” includes the employee's grandfather, grandmother, father, mother, spouse, domestic partner, sister, brother, child, grandchild or anyone of like relationship by marriage.
- (2) Persons with whom the employee has formed a familial or personal relationship, including cohabitating couples and/or significant others.

(E) Notwithstanding disclosure, employees may not participate in any personnel action by the Library that would impact the employment of a close relative, a member of the employee's household, or a person with whom the employee has a close personal relationship.

(F) Notwithstanding disclosure, an employee may not be supervised by a person who is a close relative, a member of the employee's household, or a person with whom the employee has a close personal relationship.

(G) Upon disclosure of a relationship subject to this policy, the executive director, in consultation with the director of Human Resources, may change the reporting relationship of the individuals involved, shift responsibilities or duties, or take any other action to resolve the situation.

(H) Employees who engage in actions that violate these regulations are subject to disciplinary action, up to and including termination of employment.

(I) While the Commission cannot legally prevent the appointment of new library commissioners who are closely related to library employees, the Commission will strongly suggest to officials and bodies with appointive power that the evidence of any appearance of nepotism is not recommended.

(J) In cases where a new Commission member is appointed who is a close relative of a library employee or a Commission member and employee become related, the latter may retain his or her employment status, subject to review by the executive director.

(K) The Metropolitan Library Commission authorizes the executive director to establish procedures to administer this policy.

~~Access to Services~~ ~~AS 300 Proposals for New Automation~~

~~Revised: 3/94~~

~~Administrative Guidelines and Policies~~

~~Policy:~~

~~Proposals for new automated solutions should be directed to the staff member's Administrative Team representative. The Administrative Team member will review the request. If he/she finds the request merits consideration, he/she will place the request on an upcoming Ad Team agenda for review. The Ad Team will consider the proposal and, if further information is needed, will designate staff to provide a more detailed analysis and report back to the Ad Team.~~

REPORT AND RECOMMENDATION FROM ADMINISTRATION

METROPOLITAN LIBRARY SYSTEM SALARIES FY 2016-17

METROPOLITAN LIBRARY SYSTEM ANNUAL REVIEW OF HUMAN RESOURCES - SALARIES May 2016

The Library System provides a salary package intended to attract and retain the excellent quality of employees that our customers have come to expect and deserve. Salaries and the economic outlook are reviewed annually using information from various sources such as the US Department of Labor's Bureau of Labor Statistics, surrounding library systems, national and local library and human resource associations, and national publications and surveys.

SALARIES

The Metropolitan Library Commission has set as a goal to be a leading employer among in-state and regional library systems, and has determined that to be an "employer of choice," employee salaries and benefits must be competitive, and in many cases should exceed those of our peer institutions. The library system has traditionally compared salaries for the position of librarian since qualifications and duties in libraries of comparable size are similar. Shown below are the current comparisons:

<i>Source</i>	<i>Min</i>	<i>Percentage Increase over Prior Year</i>	<i>Max</i>	<i>Percentage Increase over Prior Year</i>
Tulsa City-County Library System	\$42,168	2%	\$63,636	2%
Pioneer Multi-County Library System (No supervisory duties)	\$44,256	14.4%	\$58,440	.67%
Pioneer Multi-County Library System (Some supervisory duties)	\$47,568	12.4%	\$71,352	12.4%
Wichita Public Library	\$38,640	1.5%	\$68,702	1.5%
Allen County Public Library (2015 Salary Survey average)	\$42,209		\$67,902	
<i>Metropolitan Library System - Librarians</i>	<i>\$44,762</i>		<i>\$67,122</i>	
<i>Metropolitan Library System – Lead Librarians</i>	<i>\$47,008</i>		<i>\$70,470</i>	

The U.S. Bureau of Labor Statistics 2015 Occupational Outlook Handbook indicates the median pay for Librarians nationally is \$56,880. The Metropolitan Library Systems median, by comparison, is \$55,932.

On May 18, 2016, the Department of Labor released the final regulations updating portions of the Fair Labor Standards Act (FLSA). The main impact to the Library will be the requirement to increase exempt salaries (those salaries for positions determined to be exempt from FLSA) to an annual minimum of \$47,476 by December 1, 2016. While Library staff has determined the minimum dollar amount associated with the federal mandate (approximately \$13,000), Administration believes that the FLSA change could also impact a larger group of employees due to the salary schedule compression that will result. Staff will develop a plan for addressing the full impact of the FLSA rule change and will bring it to the Commission as part of the final budget approval process in August/September of this year.

ECONOMIC OUTLOOK:

The Employment Cost Index showed the following compensation cost increases for state and local government workers for the 12-month period ending March 2016:

	<i>2016</i>	<i>2015</i>
Compensation	2.4%	2.1%
Wages & Salaries	1.8%	1.8%
Benefits	3.5%	2.8%

The Consumer Price Index (CPI) showed the following increases for all items during the 12-month period ending in March 2016:

US City Average – All Items:	1.1%
Southern Region – All Items:	0.9%
Dallas-Fort Worth – All Items:	0.6%

The Federal Register reported that there would be no cost of living increase in Social Security benefits effective January 2016.

US Employers are predicted to increase 2016 base salaries on average of 3.0% with performance based increases averaging between .2% to 5.0% with an average of 2.8%.

The average MLS employee merit increase for FY15-16 was 2.34%. There are currently 66 employees at the maximum of their salary range.

RECOMMENDATIONS for FY16-17

RECOMMENDATIONS FROM ADMINISTRATION:

According to Mercer's 2015/2016 *US Compensation Planning Survey*, a compilation of data from more than 1,500 employers, representing 16 million workers, organizations are focusing more on internal talent and career progression to retain key employees. As a result, many companies are rewarding their top-performing employees with higher than average merit based salary increases.

The Mercer survey projects that the highest performing employees will receive as much as a 5.0% increase in 2016, with average performers earning an estimated 2.8%.

Accordingly, staff recommend that the Committee establishes a maximum performance award of 5%, effective July 1, 2016, to be distributed in a fashion determined by Library administration as defined in organization procedure. The table below is meant to be illustrative, and Library administration may vary the exact amounts based on pertinent information, however, using performance data from previous years, the distribution below would increase salaries in FY2016-17 by approximately 2% over the amount budgeted in FY2015-16.

Performance Rating	Performance Awards % Increase
3.40 to 4.00	5.0%
3.20 to 3.39	3.2%
3.00 to 3.19	2.0%
1.00 to 2.99	0.0%

ADMINISTRATIVE & PERSONNEL COMMITTEE ACTION:

That the Administrative and Personnel Committee recommends a maximum performance award of 5% to employees and that the Finance Committee incorporate such funds as are necessary to support the maximum performance award into the FY 2016-17 budget.