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Community Action Partnership of North Alabama, Inc.  
Board of Directors Meeting  
October 27, 2016  
Central Office

Paul Lott, Board Chair, opened the meeting at 8:39 a.m. and welcomed those in attendance.

Board Members Present: Rise Simmons, Jackie Peek, Dawn Owens, Tim Thrasher, Joe Holmes, David Mathews, Pat Gilbert, Sheryl Marsh, Allen Stover, Paul Lott, Tommy Praytor

Board Members Electronically: Heather Smith, Bruce Gordon

Board Members Absent: Bruce Jones, Leigh Frances, Cassandra Lee, Jennifer Taylor, Earlene Johnson

Advisors Present: Pat Busing, Barbara Sittason

Advisors Electronically: Marcie Hill, Stephanie Pitts

Advisors Absent: Matt Holmes, Shelly Waters, June Palmer, Tricia Culpepper, Jonathan Watson

Legal Counsel to Board: Bingham Edwards

Staff Present: Allison Speegle, Fred Harvey, Nathan Curry, Tamisha Sales, Karen Jared, Lorrie Mauro, Venessa Leffers, Michele Edwards, Michael Tubbs, Richard Lyons, Deb Purcell, Laurie Lincoln-Swaim, Cindy Anderson, Alicia Higginbotham, Dave Truitt, Holly Hicks, Candy Ayers, Deborah Cottingham, Kim Dodd

Introduction of Staff and Guests

Michael Tubbs introduced all present. Rise Simmons was welcomed to her first meeting as the Policy Council Representative to the Board. Also welcomed Dave Truitt who is new to the agency and is filling the Housing Development Specialist role due to the resignation of Mike Shafer.

**Our Mission**

The Community Action Partnership of North Alabama, a results-driven, non-profit business is committed to reducing or eliminating the causes and consequences of poverty for families and communities.

### Roll Call to Establish Quorum

Allison Speegle conducted a roll call and a quorum was established with 13 of 18 members present.

### Recite Mission Statement of Agency

Tommy Praytor led all in the reciting of the mission statement.

### Policy Council Representative to the Board

Paul Lott stated the Head Start Policy Council holds a seat on the Board of Directors and Rise was elected of the Policy Council to serve as the representative to the Board of Directors. He stated it is a best practice that we entertain a motion to welcome Rise to the Board of Directors. Joe Holmes motioned. Tommy Praytor seconded. Motion approved with roll call vote.

### Financial Committee Report and Approval

Paul Lott stated since the last board meeting the Financial Committee has met twice to review the August and September financial statements. Copies of those statements are in the tabletop packet and were also attached to the email that Allison sent to you yesterday. In addition, after each monthly Financial Committee meeting Allison emails the statements along with the meeting agenda and minutes from the previous meeting to you. The Financial Committee is composed of David Mathews, Bruce Jones, Tim Thrasher, Pat Busing and me. Staff members who regularly attend are Mike Tubbs, Fred Harvey, Lorrie Mauro and Allison. Kim Dodd who is responsible for spending over half of the agency's budget has recently start attending. Other staff members and guest attend on an as needed basis. All board members/advisors are welcome to attend. It is the opinion of the Financial Committee that the August and September accounting statements fairly represent the financial position of the Agency. However, the August accounts payable contain a minor classification error or \$10,940 which did not materially impact the integrity of the financial accounts. Fred Harvey corrected the error after the meeting and it is correctly classified on the September balance sheet.

Paul stated that beginning with the June 16<sup>th</sup> board meeting we implemented the practice of the CFO presenting a more in-depth review of the financials to give a better understanding of what they contain and also to ensure that we are complying with emerging best practices and exceeding the Organizational Standards established by the Office of Community Services.

Fred Harvey gave the following review of the September financials.

### Financial Information Dashboard

Report is reflective of the agency's fiscal year of January – December. Federal grantee is money we receive from the Federal Government of which salaries and benefits are the largest categories. Community Action Partnership is the parent company listed under the Assets and Liabilities. ReWorx is a defunct line of business and this entity will

be dissolved at the end of the year. The ratio indicators were reviewed. The increase in the current YTD Debt to Net Assets of 74.5% as compared to 65.6% in 2015 is due to the housing work being done in Montgomery. The second page of the report is comparing the current year to the prior six years.

#### Balance Sheet – Consolidating Financial Position

The first column, Community Action Partnership, is the parent company. Southern Community Builders has the most assets. Total cash on hand is \$1,030,144. Total assets are current \$52,539,018.

#### Statement of Revenues and Expenditures – Summary/Detail

The first page is a summary page. The percentage of budget used should be around 75%. The last column is the prior year actual as a comparison to currently year actual. The following pages are the detail of the summary page with a breakout of all the funding sources and expenditure line items. Fred stated that in review of the % budgeted used column to keep in mind there are several grants that overlap the fiscal year and part of this budget was in the prior year. He stated that for monitoring purposes he looks at each individual budget not this report.

#### Statement of Revenues – Public/Non-Public

This report is a comparison of public support funds which are basically tax dollars versus non-public support funds which are in-kind.

#### Statement of Activities – Combining Schedule of Activities w/Budget

This report reflects each fund and shows the expenditures for the same time frame as the previous year. The Ending Net Assets listed at the bottom of each page reflects how each fund ended the month. Fred stated that CDBG is one fund that he is concerned with and currently reflects a deficit of \$105,000. The CDBG program was started to assist the tornado victims from 2011. NeighborWorks funds will be used to cover the deficit. ADECA administers this program and some of the challenge has been the way the rules keeping changing which requires new or additional paperwork.

#### Statement of Revenues and Expenditures – Head Start

There are 4 separate Head Start grants. Going forward this particular report will reflect Head Start 12 County in the heading. This grant operates 7/1-6/30 and should be at 25% of the program year.

#### Statement of Revenues and Expenditures – Early Head Start – Madison/Limestone

This grant operates 2/1 – 1/31 and should be at 66% of the program year.

#### Statement of Revenues and Expenditures – Head Start – Madison/Limestone

This grant operates 3/1 – 2/28 and should be at 58% of the program year.

Statement of Revenues and Expenditures – Head Start – Lauderdale County  
This grant operates 10/1 – 9/30 and should be at 100% of the program year. Fred stated the pay period ending 9/30 was dispersed the first week of October.

Statement of Revenues and Expenditures – Pre-K  
These are funds that we receive from the State to support some of the Head Start classrooms. Fred stated that we did receive more revenue than expected for this program which operates 10/1 – 9/30.

Statement of Revenues and Expenditures – PAT  
This grant operates 10/1 – 9/30 and should be at 100% of the program year.

Statement of Revenues and Expenditures – EHS – DHR  
This is a childcare partnership contract. The State receives the grant and contracts with us to operate the program. Should be at 100% of the program year.

Statement of Revenues and Expenditures – USDA  
This grant operates 10/1 – 9/30 and should be at 100% of the program year. This is money we receive through the Department of Education.

Expenditure Journal – Credit Card Expenditures  
It is a requirement of the Head Start Act for the governing body and Policy Council to review the credit card usage each month. This report is an agency wide report. It was explained that expenditures for less than \$10.00 are allocated expenses. Wright Express is for purchase of fuel for agency vehicles.

Posted General Ledger Transactions  
The first report is for any transaction through accounts payable during the month. PEEHIP is the largest expenditure. Fred explained that legislation some years ago allowed the agency to become a part of the Teachers Retirement System.

The second report is any vendor that received more than one payment during the month. Any vendor that has an "A" is direct assistance payment to the utility company.

The floor was opened for any questions/discussion on financial report as presented. Paul Lott asked for a motion to approve report. Tim Thrasher motioned. Tommy Praytor seconded. Motion approved with roll call vote.

#### Approve August 25, 2016 Minutes

Minutes were received in packet prior to the meeting. Paul Lott opened the floor for questions and/or corrections. There being no corrections Paul Lott asked for a motion to approve the minutes as received. Pat Gilbert motioned. David Mathews seconded. Motion approved with roll call vote.

### EHS Madison/Limestone Grant

Copy of grant was received in packet prior to the meeting. Fred Harvey stated this is a standard SF 424 federal form. This grant follows the budget year of 2/1 – 1/31 and this refunding application is for starting 2/1/2017. The third page reflects the dollar amounts. This is an 80/20 matching grant. This grant is for 56 children and is a renewal and not competitive grant at this time. The floor was opened for questions and/or discussion on grant submission. Paul Lott asked for a motion to approve submission of the EHS Madison/Limestone Grant. Tim Thrasher motioned. David Mathews seconded. Motion approved with roll call vote.

### Pre-School Madison/Limestone Grant

Cop of grant was received in packet prior to the meeting. Fred Harvey stated this grant operates 3/1 – 2/28 and this refunding application is for starting 3/1/2017. The federal amount is \$3.5 million and our share is \$883,000 which is volunteers and classroom space. The floor was opened for questions and/or discussion on grant submission. Paul Lott asked for a motion to approve the Pre-School Madison/Limestone Grant. Tim Thrasher motioned. David Mathews seconded. Motion approved with roll call vote.

### Approve Submission of CSBG Work Plan

Copy of information was received in packet prior to the meeting. Cindy Anderson stated this funding is unique to Community Action agencies. We have the flexibility to use these dollars to support programs we operate and we act as a grantor to other agencies in our community. This provides us the opportunity to serve more clients, reduce cost and provide outcomes in the community. Cindy stated this will be the first year we will be using some of the funds to support Meals on Wheels & More and Foster Grandparent/Senior Companion programs due to the reduced funding for these two programs. The agency will also continue to support the Decatur Youth Services, Community Free Clinic, Good Samaritan, The Link and Neighborhood Christian Center. Cindy stated that if the service does not fall into one of the categories specified by ADECA then it is placed under linkages. The floor was opened for questions and/or discussion. Paul Lott asked for a motion to approve submission of the CSBG Work Plan as presented. Pat Gilbert motioned. Sheryl Marsh seconded. Motion approved with roll call vote.

### Strategic Plan Update

A copy of the Strategic Plan was received in packet prior to meeting. Every 3 years the agency must complete a Community Needs Assessment and once this is complete we receive the top 6 needs we schedule an off-site meeting with a cross section of staff, community partners and board members. The top 6 needs are reviewed and then a strategic plan is developed. In 2014 under the direction of Paul Lott, he suggested we make a tactical dashboard to track progress. The Organizational Standards require we review the Strategic Plan with the Board of Directors at least a minimum of once every 12 months. Members/Advisors were asked to refer to the document as Laurie reviewed the Strategic Plan and gave an update on objectives that were either not complete, in

progress, partially complete or complete in the areas of Governance, Partnerships, Human Capital, Fiscal, Results, Communications & Marketing, Information & Technology, Research & Development, Facilities/Property & Assets.

The floor was opened for questions and/or discussion. Paul Lott stated this tactical plan is a 5 year plan and we have time to work on this and it will make us a better organization.

#### Organizational Standards Update

Update was received in packet prior to the meeting. Laurie Lincoln-Swaim stated there are 5 standards that either require additional information or have not been submitted. Three of the standards pertain to the governing board (4.4, 6.5, and 9.3) in regard to receiving information/updates on strategic plan, outcomes and success of specific strategies and Laurie stated with the previous review of the strategic plan she will submit the required information.

Standard 5.6 refers to a signed Conflict of Interest statement by board members and Laurie stated all have been received with the exception of two which Allison is working on to obtain. Michael Tubbs stated that we are not in compliance with the Conflict of Interest statements because we do not have them. It is a requirement to have an updated form on file every two years. He asked that when Allison sends paperwork please complete and return. He stated that we were supposed to be in compliance on September 30<sup>th</sup> and we were not. Multiple mailings and requests from Allison did not get these done. We are totally dependent on members and advisors to respond.

Standard 9.4 is the submission of the CSBG IS report and Cindy Anderson is currently working on for completion.

The floor was opened for questions and/or discussion.

#### Customer Satisfaction Survey Update

Survey results were received in packet prior to meeting. Laurie Lincoln-Swaim gave a brief update on the results. Question 7 continues to be refined. She explained that many of the clients are having more needs met and do not need additional help beyond our agency. She stated that an additional question will be added that refers to having needs and did you voice those needs. Question 10 shows no responses from the Moulton Office due to the funds in Lawrence County had already been expended.

The floor was opened for questions and/or discussion.

### Results Report

Report was received in packet prior to meeting. Focus of result reports were Mill Creek and Seville Subdivision. Laurie gave a brief overview of the outcomes from the report. Some of the highlights were: community need for quality housing stock is fulfilled, choice neighborhoods are created, numbers of vacant properties are reduced, and residents become partners with the City and agency. In regard to family goals and outcomes renters have the potential for their income to go farther and they can build equity and become more stable. The agency outcomes are accomplished by expanding capacity to fulfill mission, determine other family and community needs, strengthens portfolio and also brings unrestricted cash into the agency.

Two videos, Mill Creek groundbreaking and Seville Subdivision, were shown. Michael Tubbs stated that the Mill Creek project was awarded in June 2015. Regions Bank is the equity investor. This is the first development the agency has done with the Bennett Group. The groundbreaking for this project was October 11<sup>th</sup>. This will add 56 units to our portfolio. The Housing Business Unit is currently looking at projects to submit for 2017. Bingham Edwards stated the agency does receive a development fee and there is more risk to the agency in being the developer. Michael Tubbs stated the Housing Committee of the Board will have to sign off and approve a new deal.

The floor was opened for questions and/or discussion.

### Elect Nomination Committee

Paul Lott stated that at each December meeting the Board approves a new slate of officers to serve the following year. The floor was opened for volunteers/nominations of individuals to serve on the nomination committee. This committee will meet one time before the December board meeting to recommend a slate of officers to serve for 2017. Pat Busing, Tim Thrasher, David Mathews, Bruce Jones along with Paul Lott volunteered to serve on the Nomination Committee. There being no further volunteers Paul Lott asked for a motion to approve the above mentioned individuals to serve on the Nomination Committee. Allen Stover motioned. Jackie Peek seconded. Motion approved. Heather Smith left meeting electronically so roll call vote was not conducted.

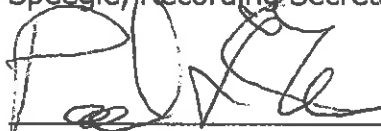
### Executive Director's Report

Report was received in packet prior to meeting. Michael Tubbs stated this is a multiple page document. He highlighted the upcoming calendar and stated the next Board meeting will be December 15<sup>th</sup> which is our annual meeting that includes the election of officers. He shared that with Mike Shafer's resignation that Amber Jones was hired part-time to assist with Community Stabilization work. Key jobs are being filled as needed. Members/Advisors were asked to review the report and contact Mr. Tubbs with any questions.

Other Business

Paul Lott shared the Financial Committee meetings are open to any Board Member/Advisor that would like to attend. Contact Allison if you need additional information about meeting dates.

The floor was opened for any additional business and/or discussion. There being no further business the meeting adjourned at 10:16 a.m. Minutes submitted by Allison Speegle, Recording Secretary to the Board.



Paul Lott, Chair

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Bruce Jones, Secretary



12.20.16

Reviewed by Michael Tubbs, CEO