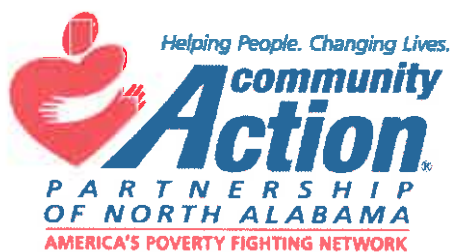


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Community Action Partnership of North Alabama, Inc.
Board of Directors Meeting
August 25, 2016
Central Office

Paul Lott, Board Chair, opened the meeting at 8:38 a.m. and welcomed those in attendance. Paul thanked members and advisors for the support they provide to the agency.

Board Members in Attendance: Leigh Frances, Jackie Peek, Dawn Owens, Tim Thrasher, Joe Holmes, David Mathews, Pat Gilbert, Bruce Gordon, Sheryl Marsh, Paul Lott, Tommy Praytor

Board Members Absent: Gail Phillips, Bruce Jones, Cassandra Lee, Allen Stover, Jennifer Taylor, Earlene Johnson

Board Members Electronically: Heather Smith

Advisors Present: June Palmer, Pat Busing, Tricia Culpepper, Barbara Sittason

Advisors Absent: Matt Holmes, Shelly Waters, Jonathan Watson

Advisors Electronically: Marcie Hill, Stephanie Pitts

Legal Counsel to Board: Bingham Edwards

Staff Present: Allison Speegle, Alicia Higginbotham, Angela Warren, Deborah Cottingham, Karen Jared, Candy Ayers, Sharalee Little, Cindy Anderson, Fred Harvey, Marcia Castleberry, Lorrie Mauro, Venessa Leffers, Laurie Lincoln-Swaim, Holly Hicks, Doug Woods, Tamisha Sales, Nathan Curry, Michael Tubbs

Introduction of Staff and Guests

Michael Tubbs welcomed those in attendance. He thanked Fred Harvey for getting the audit submitted to NeighborWorks. He also shared there are a couple of public offices in play with the upcoming elections and stated that if the current person is not re-elected then the person representing that office will no longer be a board member and we will have to schedule a meeting for re-appointment.

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 roll call and a quorum was established with 12 of 18 members present.

Reciting of the Mission

Joe Holmes led all in the reciting of the mission statement.

Approve June 16, 2016 Minutes

Minutes were received in packet prior to the meeting. Paul Lott opened the floor for questions and/or corrections. Allison Speegle gave the following two corrections: (1) Tommy Praytor was in attendance. (2) Page 5 under Approve Writing for Duration Grant for Head Start and Early Head Start Services, it should state writing to add 10 additional days not 20. There being no further corrections Paul Lott asked for a motion to amend the minutes. David Mathews motioned. Joe Holmes seconded. Motion approved with roll call vote. Paul Lott then asked for a motion to approve the minutes. Tim Thrasher motioned. David Mathews seconded. Motion approved with roll call vote.

Financial Committee Report and Approval

Paul Lott stated the financial committee has met twice since the last board meeting to review the June and July financial statements and other matters that came before the committee. The statements were received in packet prior to the meeting and a copy is also available at the tabletop. Paul stated the total revenue shown on the last page of the Statement of Activities and one of the activities is overstated by \$160,900. This has been corrected and the committee received a corrected copy later that afternoon. Paul stated that Fred Harvey has created a report that breaks out all the activities of the agency, there are 46, and there was a number that was picking up incorrectly. The June and July statements of activities are management activity reports to help us better understand how the programs are doing in isolation. Fred Harvey stated that Allison sent out the corrected report to the full board that Paul referenced. He stated there are two lines, fund balance and operating capital reserves and stated there was a donation entered into the books, property in Montgomery that had an effective date of 12/31/2015. The report is not designed to show a fund balance of fixed assets and was left in the current revenue. The Statement of Revenue and Expenditures was correct. Paul Lott stated with this correction the committee feels the statements represent the health of the agency.

After several months of discussion regarding a possible partnership with the E Center in Decatur and review of current financial statements and Form 990 the Financial Committee made the decision it would not be beneficial to enter into a partnership at this time. Michael Tubbs has notified Larry Waye, E Center, of our decision.

During the August meeting the committee conducted an in-depth review of the agency's 2015 Form 990. This form was prepared by our Independent Auditors. Paul stated that a copy was sent to all board members and advisors electronically for review prior to this meeting which is a requirement of the IRS and the Office of Community Services also requires that it be made available to the governing Board for review as an Organizational Standard requirement. He stated that due to this being a large document a copy was not provided at the tabletop but that Fred Harvey did have one copy available at this meeting. Fred Harvey stated that Schedule 1 Part 3 reflects that 500 people received direct assistance and this should be 5,000. Paul Lott asked Fred to send out a corrected copy to the board. After discussing Fred printed the corrected page and distributed at the meeting. The floor was opened for questions/discussion on the Form 990. Paul Lott asked for a motion to accept the 2015 Form 990. Pat Gilbert motioned. Bruce Gordon seconded. Motion approved with a roll call vote.

Paul Lott stated that the Organizational Standards (8.2) also requires that the governing board ensure that appropriate corrective action be taken to address any findings from the prior year's annual audit. The audit was accepted at the June board meeting. The audit report contained no findings to be corrected so Paul asked for a motion to close out the audit report. Sheryl Marsh motioned. Tim Thrasher seconded. Motion approved with a roll call vote.

Fred Harvey gave the following overview of the financial reports.

Financial Information Dashboard

The July dashboard provides a quick analysis of where the agency is compared to last year and includes the types of revenues, expenditures and ratio indicators. He stated anything ratio above a 2 is very good. The second page of the dashboard report shows the comparison over the last five years. Cash is drawn down as needed with grant funded programs.

Balance Sheet - Consolidating Financial Position

There are 34 properties the Partnership has ownership in. Total assets of the agency are approximately \$52 million dollars. The current YTD net income is \$332,000.

Statement of Revenues and Expenditures – Summary/Detail

This report reflects the current year actual to prior year actual. The first page is a summary page and the following pages are the detail of page one broken out by all the funding sources. This report is looking at the agency's fiscal year, however most of the grants do not follow the agency's fiscal year.

Statement of Revenues – Public/Non-Public

This report is a comparison of public funds compared to local dollars and in-kind donations.

Statement of Activities-Expenditures-Combining Schedule of Activities w/Budget
This report reflects each fund with actual expenditures compared to budget. The error that Paul mentioned earlier is on page 11, Agency Assets/Liabilities which reflects the actual of \$169,900. This was a prior year transaction so it does not balance. Fred stated the Ending Net Assets of each fund reflects where each fund stands.

Statement of Revenues and Expenditures – Head Start
Fred stated that it is a Head Start Performance Standard requirement the Board of Directors review the Head Start financials. This report is for the original 12 county Head Start grant which has a program year of 7/1-6/30. Should be at 8% of the program year. The majority of line items over the 8% are one-time expenditures during the year. The percentage of budget used is at 2.18%.

Statement of Revenues and Expenditures – Madison/Limestone
Follows 3/1-2/28 budget year. Should be at 42% of program year.

Statement of Revenues and Expenditures – Early Head Start- Madison/Limestone
Follows 2/1-1/31 budget year. Should be at 50% of program year and is currently at 44.7%.

Statement of Revenues and Expenditures – Lauderdale County
Follows 10/1-9/30 budget year. Should be at 83% of budget year and is at 72.8%. Fred explained the agency pays 6.8% of each employee's salaries for SUI. This is budgeted based on the number of employees and this particular grant had a significant amount of turnover. When an employee resigns their SUI has already been paid for the year so when they are replaced we pay the full amount again.

Statement of Revenues and Expenditures – Pre-K
Follows 10/1-9/30 budget year. Should be at 83% of budget year. Once all the funds for this grant has been expended, which is required, costs are then shifted to regular Head Start.

Statement of Revenues and Expenditures – First Teacher – Home Visiting
Follows 10/1-9/30 budget year. Should be at 83% of budget year. These are federal dollars that come through the State to the agency.

Statement of Revenues and Expenditures - EHS – DHR
This is a contract not a grant. Should be at 83% of budget year. Any money that is left at the end of the grant does not have to be returned.

Expenditure Journal – Credit Card Expenditures
Agency has one American Express credit card. This report is an agency wide report. The small dollar amounts under \$10.00 are expenses that are allocated. Wright Express is fuel purchases for agency vehicles.

Posted General Ledger Transactions

Reflects all the account payable transactions during the month. PEEHIP is the health insurance. Bob Morrow Construction is for the Montgomery housing project. Anything with an "A" is energy assistance paid to the utility company on behalf of the client. The second report is any vendor that received two or more payments during the month.

Paul Lott opened the floor for questions/discussion. Paul Lott asked for a motion to approve the financial reports as presented. David Mathews motioned. Tim Thrasher seconded. Motion approved with roll call vote.

Accept Form 990

This action was approved during the Financial Committee report.

Approve Board Member to Serve on Policy Council

Paul Lott stated he had served on the Head Start Policy Council the last two years. Policy Council meets once a month with the exception of December and May for a total of eight meetings. The Policy Council will also have a representative to the Board. The Policy Council does allow for an alternate to serve and for members to connect electronically after the first meeting. All meetings are at 10:00 a.m. and the first meeting is scheduled for September 22nd. The floor was opened for volunteers. Dawn Owens volunteered. Joe Holmes stated he would serve as alternate. Paul Lott asked for a motion to appoint Dawn Owens to serve as on Policy Council with Joe Holmes serving as alternate. Bruce Gordon motioned. David Mathews seconded. Motion approved with roll call vote. Dawn Owens and Joe Holmes abstained from vote.

Housing Committee Report and Approval

Paul Lott stated the Housing Committee has met one time since the last board meeting. Several things were reviewed during the meeting. This information is included with the Executive Director's report. Committee looked at projects in the pipeline, reviewed compass reports that reflect which properties are or are not performing well. Also looked at 2017 prospects for AHFA deal and zeroed in on one the committee felt was best for financing and development fees that might could come into the agency. Paul stated this is still in the conceptual stages. Committee reviewed two resolutions and recommended they come before the board for approval which Fred Harvey will present later in the meeting. Paul encouraged everyone to review the Executive Directors report regarding the housing updates. Floor was opened for questions/discussion. Paul Lott asked for a motion to accept the housing committee report as presented. Leigh Frances motioned. Bruce Gordon seconded. Motion approved with roll call vote.

Approve Resolution for Closing the Property Transfer – Lanier I

A copy of this resolution was received in packet prior to meeting and also in packet at tabletop. Fred Harvey stated this is a corporate resolution and incumbent certificate which is giving Michael Tubbs the authority to sign documents for the City of Montgomery in order for us to build an additional 9 lots. There will be a note of one million dollars. This is the value of the land and we will receive CDBG money to build houses on these 9 lots. This is a forgivable loan after 20 years and is also a no interest no payment loan. Once complete these houses will be 100% owned by the agency. The floor was opened for questions/discussion. Paul Lott asked for a motion to approve the resolution for closing property transfer of Lanier I. David Mathews motioned. Tim Thrasher seconded. Motion approved with roll call vote.

Approve Resolution for Refinancing the Oaks

A copy of the resolution was received in packet prior to meeting and also in packet at tabletop. Fred Harvey stated that in 2015 the Board of Directors approved the agency to borrow money to refinance the Oaks for rehab. Also last year there was a resolution approved by the Board giving Michael Tubbs the authority to sign any necessary documents. However, the finance company will not accept that particular resolution and are requiring a separate resolution. One correction to the resolution being submitted for approval is Michael Tubbs title. The Oaks property is located in Blount County and the amount of the mortgage is \$1,032,000 dollars. This will pay off the HOME loan and mortgage note to Regions. By paying off the HOME loan it will allow the agency to receive additional points when submitting applications for future projects. Fred stated the agency will receive some of the deferred developers fees owed to us. The floor was opened for questions/discussion. Paul Lott asked for a motion to approve resolution for refinancing the Oaks with the one correction of Michael Tubbs title. Pat Gilbert motioned. Tommy Praytor seconded. Motion approved with roll call vote.

Approve State General Fund Appropriation 2017

A copy of the budget and resolution was received in packet prior to meeting and also in packet at tabletop. Fred Harvey stated this is an annual requirement. The agency receives a small amount of money from the State of Alabama that in the past has been used to support the home ownership counseling due to we do not receive enough funds from HUD. Fred stated this is an estimated budget. Floor was opened for questions/discussion. Paul Lott asked for a motion to approve the projected annual amount allocation for the State General Fund Appropriation for 2017 as presented. David Mathews motioned. Tommy Praytor seconded. Motion approved with roll call vote.

Approve Use of Charitable Donation

A copy of the charitable donation letter was received in packet prior to meeting and also in packet at tabletop. Michael Tubbs stated the letter states the money is to be used as the Board of Directors directs. The floor was opened for discussion and it is the recommendation of the Board the money be put into the non-discretionary fund which currently has a balance of \$12,000 to be used for emergency assistance. Paul Lott asked for a motion to approve the recommendation. Bruce Gordon motioned Tim Thrasher seconded. Motion approved with roll call vote.

Organizational Standards Update

Laurie Lincoln-Swaim stated there are 58 organizational standards each Community Action Agency is required to meet. Of the 58 we have 48 approved by the State. There are 5 currently being reviewed and 5 in que to be reviewed. The main focus now will be on the Strategic Plan with tactical document and uploading job descriptions. September 16th is the target date to have all uploads complete.

Results Report

NeighborWorks Week 2016

NeighborWorks Weeks results report was received in packet prior to meeting and also at tabletop. Laurie Lincoln-Swaim gave an overview of the report. Nine homes received work with a large number of community volunteers and partners. Laurie stated that we can count the number of hours our staff work but NeighborWorks does not allow us to include dollar value. Labor was the largest donation which was calculated using salary.com A brief video of NeighborWorks week was shown.

Customer Satisfaction Survey

A copy of the Customer Satisfaction Survey results was received in packet prior to the meeting and also in packet at tabletop. Laurie Lincoln-Swaim reviewed report. She referred to page 2 question 7 where she stated based on the answers received that she is addressing this with staff to ensure we are spending the necessary time with clients to assess their needs and make necessary referrals.

Paul Lott asked Michael Tubbs to discuss the additional work load in regard to ROMA. Michael Tubbs stated that we track the services of families and Community Action over the years has been identified by the funder where you count families as the result but it has always been about looking at resources and referrals. He stated that most Community Action agencies are rendered down to energy assistance and food banks and stated that he predicts some agencies will not be in existence in a few years. The needs are there and what we do is hard work but sees our agency as ahead of the game. In Alabama there are 21 agencies and there are some that are not very functional in that they have high cost with little results. He stated this agency is looked at one that gets results and it is possible that we could be asked to step into these areas that are not performing well. He reminded the Board we are a three county Community Action Agency but we operate in 15 counties.

Executive Directors Report

A copy of this report was included in packet prior to meeting and also in packet at tabletop. Michael Tubbs gave a brief overview of the report.

Paul Lott and Tim Thrasher would be attending the National Community Action Partnership next week with staff in Texas.

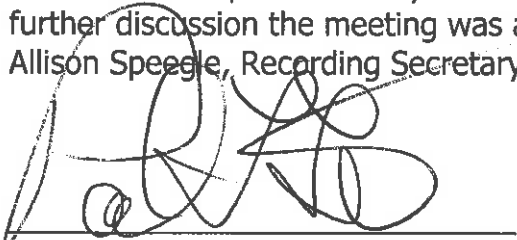
All board members/advisors are welcome to attend the Financial and Housing Committee meetings.

Next board meeting is scheduled for October 27th.

Michael Tubbs shared that he had received permission to inform the Board the reduction request approved by the Board for submission in April has been approved. Last year this program served 2710 children and will now serve 1937. He shared we are hemorrhaging with staff turnover. Staff are going into the school system and it is damaging the quality of our program. In some areas we left a community where children still have needs, we have some staff that are not placed and some children still not be served but believe this was a necessary for the quality of the program. An announcement will go out to staff today announcing acceptance of reduction. He stated we are trying to look ahead and not back. Several programs in Alabama are submitting reduction requests. We want to serve children and families and this goes against the grain but business and industry must look at theory of creative disruption. The quality of what you do is the goal and this is what we are trying to address. Mike stated we have reduced classroom size and most classrooms are going to 3 year olds. We opened the year with this reduced number and did not enroll at the classrooms that were marked. As hard as it is to leave communities we made the decision with as much forward thinking as we could which is reflected in our strategy of "Good to Great". Mike reminded the Board that at the April board meeting Paul stated that we can either do this now or the Regional Office will do it for us. Mike stated that we know not all children are being served and we knew there would be damage and when it was recommended to the Board there were mixed feelings. There are some job openings that affected staff can apply for but may not due to logistics. He closed by saying we continue to look for ways to improve what we do and sometimes this is not easy. We want to stay in balance with the funder and look ahead. The announcement to staff will also be sent to the Board of Directors.

Paul Lott asked all to review the Executive Directors report.

The floor was opened for any additional business, and or discussion. There being no further discussion the meeting was adjourned at 10:24 a.m. Minutes submitted by Allison Speagle, Recording Secretary to the Board of Directors.

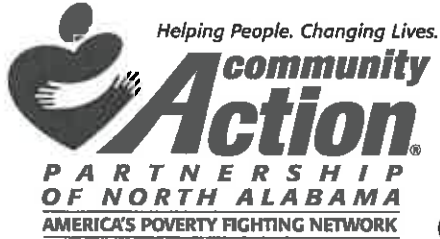


Paul Lott, Board Chair

Bruce Jones, Secretary

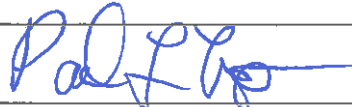

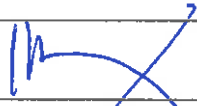


Reviewed by Michael Tubbs, CEO

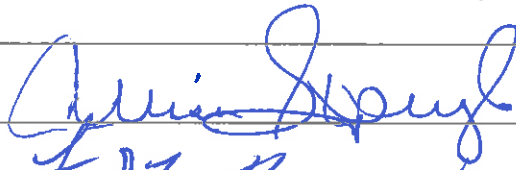

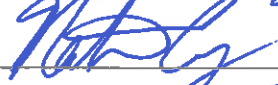









Community Action Partnership of North Alabama, Inc.
 Board of Directors Meeting
 October 27, 2016
Sign In Sheet

Rise Simmons	Community Sector/Morgan	Rise Simmons
Bruce Jones	Community Sector/Morgan	
Leigh Frances	Community Sector/Morgan	
Jackie Peek	Community Sector/Lawrence	Jackie Peek
Cassandra Lee	Community Sector/Lawrence	
Dawn Owens	Community Sector/Cullman	Dawn Owens
Tim Thrasher	Community Sector/Cullman	Tim Thrasher
Joe Holmes	Private Sector/Morgan	Joe Holmes
David Mathews	Private Sector/Morgan	David Mathews
Pat Gilbert	Private Sector/Cullman	Pat Gilbert
Heather Smith	Private Sector/Cullman	Electronic
Bruce Gordon	Private Sector/Lawrence	Electronic
Sheryl Marsh	Public Sector/Morgan	Sheryl Marsh
Allen Stover	Public Sector/Morgan	Allen Stover
Jennifer Taylor	Public Sector/Cullman	
Earlene Johnson	Public Sector/Cullman	

Paul Lott	Public Sector/ Lawrence	
Tommy Praytor	Public Sector/ Lawrence	
Matt Holmes	Advisor to the Board	
Shelly Waters	Advisor to the Board	
Marcie Hill	Advisor to the Board	Electronic
June Palmer	Advisor to the Board	
Pat Busing	Advisor to the Board	
Stephanie Pitts	Advisor to the Board	Electronic
Tricia Culpepper	Advisor to the Board	
Barbara Sittason	Advisor to the Board	Barbara Sittason
Jonathan Watson	Advisor to the Board	
Bingham Edwards	Attorney at Law, Legal Counsel to the Board	Bingham P. Edwards

Staff/Guest Present

	Deb Purcell
	Aurie Lindsey Swain
	Cindy Anderson
	Alicia Higginbotham
	
	
	Candy Ayer
Michele Edwards	Deborah Cottingham
	Kim H. Dodd

Board of Directors Electronic Certification Participation

I hereby certify that I, Marcie Hill, did participate by electronic communication, at the October 27, 2016 Board of Directors meeting.

Marcie Hill

Signature of Board Member / Advisor

Board of Directors Electronic Certification Participation

I hereby certify that I, Heather Smith, did participate by electronic communication, at the October 27, 2016 Board of Directors meeting.

Heather Smith

Signature of Board Member / Advisor

Board of Directors Electronic Certification Participation

I hereby certify that I, Stephanie Pitts, did participate by electronic communication, at the October 27, 2016 Board of Directors meeting.

A handwritten signature in cursive script, appearing to read "Stephanie Pitts", written in dark ink.

Signature of Board Member / Advisor