

1909 Central Parkway SW
Decatur, AL 35601
Phone 256.355.7843
Fax 256.355.7953
www.capna.org



Community Action Partnership of North Alabama, Inc.
Board of Directors Meeting
June 28, 2018
Central Office

The Community Action Partnership of North Alabama, Inc. Board of Directors met for a regular scheduled meeting on June 28, 2018. David Mathews, Board Chair called the meeting to order at 8:33 a.m. and welcomed those in attendance.

Board Members Present: Keunna Swopes, Bruce Jones, Leigh Frances, Jackie Peek, Benita Owens, Dawn Owens, Joe Holmes, David Mathews, Pat Gilbert, Terri Womack, Debra Gardner, Dana Pigg, Tim Thrasher, Joey Martin, Tim Littrell

Board Members Absent: Jennifer Taylor, Heather Smith

Board Members Electronically: None

Advisors Present: Barbara Sittason, Paul Lott, Corey Williams, Rise Simmons, Sheryl Marsh, Allen Stover

Advisors Absent: Matt Holmes, Tricia Culpepper, Bruce Gordon

Advisors Electronically: Stephanie Pitts, Marcie Hill

Legal Counsel to Board: Jonathan Watson

Guests Present: Emily Reischman, Steven Strickland, Benjamin Valiente, Allie, Mya

Staff Present: Allison Speegle, Michael Tubbs, Kim Dodd, Deborah Cottingham, Candy Ayers, Fred Harvey, Alicia Higginbotham, Karen Jared, Michele Edwards, Magen Claborn, Holly Hicks, Dave Truitt, Aron Boldog, Nathan Curry, Tamisha Sales, Laurie Lincoln-Swaim, Lorrie Mauro

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.

Introduction of Staff/Guests

Michael Tubbs, CEO shared it was a great time to be a part of the Community Action Partnership as he announced that we had been notified that we are the preliminary awardee of the 12 County Head Start grant. The Office of Head Start asked that we keep this confidential but we did ask permission to announce in Board meeting. Negotiations will have to take place. This is the single largest footprint of the agency and Kim Dodd and her staff are relieved. He shared that we have a lot to do to get classrooms ready to open but that we are very pleased with this announcement.

Michael Tubbs introduced all in attendance along with Stephanie Pitts and Marcie Hill who connected electronically by skype. He acknowledged Allie, Leigh Frances granddaughter and Mya, Pat Gilbert's granddaughter, both of whom attended today's meeting. Steven Strickland, Emily Reischman and Benjamin Valiente of Wear, Howell, Strickland, Quinn and Law, LLC were also welcomed.

Roll Call to Establish Quorum

Allison Speegle conducted roll call and a quorum was established.

Recite Mission of the Agency

David Mathews led all in reciting the mission of the agency.

Approve April 26, 2018 Minutes

The minutes were sent electronically to all members and advisors prior to the meeting. David Mathews opened floor for any questions and/or corrections. There being no corrections he asked for a motion to approve the April 26, 2018 minutes as received. Terri Womack motioned. Benita Owens seconded. Motion approved.

Financial Committee Report

The May financial reports were sent electronically to all members and advisors prior to the meeting. Lorrie Mauro stated the Financial Committee met on Tuesday, June 21st and reviewed the reports in detail. She reviewed the following reports:

Financial Information Dashboard – This report provides a snapshot of where the agency stands on key categories. The second page of the trending report that compares current year to six prior years.

Balance Sheet Consolidating Financial Position – The Current YTD Net Income is \$1,129,418 (page 15).

Statement of Revenues and Expenditures – This report reflects the fiscal year of the agency which is January – December. The Net Revenue is \$1,129,417.92 (page 16). Pages 17-19 are the expenditures broken down by category.

Statement of Revenues – Public/Non-Public - Ratio's reflect where we are regarding public/non-public support. Lorrie stated the goal is to have more non-public support funds.

Statement of Activities – Expenditures – Combining Schedule of Activities with Budget - Report reflects each grant and what happened in that grant during the month. Ending Net Assets reflects where each grant stands.

12 County Grant – The infographic and report were reviewed which reflects budget to actuals. Should be at 92% of total budget and is at 88.95% actual revenue and 88.95% actual expense. Lorrie stated this grant will end June 30th so the ratios will change next month.

Madison/Limestone EHS – The infographic and report were reviewed. This grant started in March. Should be at 24% of the total grant and is at 20% actual revenue and 20% actual expense. Lorrie stated that the % of Budget Used column on report is what is reviewed to manage the grant.

Madison/Limestone PHS - The infographic and report were reviewed. Should be at 24% of the total budget and is at 17.69% actual revenue and 17.69% actual expense.

Lauderdale County – The infographic and report were reviewed. Should be at 24% of the total budget and is at 16.13% actual revenue and 16.13% actual expense.

USDA – Report was reviewed. Lorrie stated that she will forward a revised report which includes the percentages.

Pre-K – The infographic and report were reviewed. This grant is pre-funded and adjustments are made as needed. We receive \$45,000 per classroom. This also helps support the Head Start classrooms. Should be at 64% of the total budget and is at 95.93% actual revenue and 24.90% actual expense.

PAT (Parents as Teachers) – The infographic and report were reviewed. This grant is also pre-funded. Should be at 64% of the total grant and is at 85.08% actual revenue and 66.47% actual expense.

DHR–CCP Grant– The infographic and report were reviewed. Lorrie reminded all that we partner with other vendors to provide childcare for this particular grant. She did note that the two classrooms located at UAH are our own employees. Should be at 64% of the total budget and is at 59.60% actual revenue and 59.60% actual expense.

Expenditure Journal – Credit Card Expenditures – Report was reviewed. It was noted that Wright Express is for fuel expenses for the agency vehicles. Report includes all activity for the month of May.

Posted General Ledger Transactions - Reports were reviewed. The first report is sorted by dollar amount and the second report is sorted by any vendor who received more than one payment during the month.

Lorrie Mauro opened the floor for questions regarding reports. Paul Lott commented on CDBG deficit reduction. Lorrie stated that she is predicting we will get it down to approximately \$150,000. She stated that Angela Ingram is working on one mobile home replacement which we will receive some reimbursement. Lorrie also shared that Angela is the only person working on this grant so that has reduced the amount that is being charged to Administrative. Lorrie said that we are still capturing payroll from when 4 people worked in this program and submitting that information for reimbursement.

David opened floor for any additional questions. There being no further questions David Mathews asked for a motion to approve the financial reports as presented. Joey Martin motioned. Tim Thrasher seconded. Motion approved.

Audit for Year Ended 2017

A copy of the audit was sent electronically to all members and advisors prior to the meeting. Lorrie Mauro introduced the auditors: Steven Strickland, Emily Reischman and Ben Valiente and stated they have been working on site approximately two months to complete this process.

Emily Reischman presented the following audit report:

The enclosed letter Auditor's Communication with Those Charged with Governance is a standard communication letter and states that there were no issues encountered or adjustments that were required to be made as a result of being over a certain threshold.

Emily stated they completed a financial and compliance audit. Page 1 is the Independent Auditor's Report letter regarding the financial audit. The second paragraph basically states there was a clean audit.

The last paragraph on Page 40 states the audit did not identify any deficiencies in internal control that would be considered material weaknesses.

The letter on Pages 44-45 Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance (Parent Organization Only) is referencing controls with compliance over federal awards. It was the opinion of the auditors that the agency has complied, in all material respects with the types of compliance requirements referred to that could have a direct and material effect on each of its major federal programs. Emily stated that the following

programs were audited: Head Start, USDA, Weatherization and LIHEAP. She stated they looked at controls and tested those to ensure they were in compliance. There were minor exceptions which is to be expected but nothing that needs to be communicated to the Board. There was additional testing on the one finding from last year's audit and there were no issues. Emily stated the audit was as clean as could be.

The Notes To Consolidated Financial Statements on Page 9 in reference to subsidiaries informs you of everything that is included in these financial statements. Emily stated the agency is very large and with the interest in the housing projects it is important to know when looking at the figures to understand what this involves. It was noted that Page 1, third paragraph reflects that some of the subsidiary information was audited by other auditors.

The Combining Schedule of Activities and Change in Net Assets on Page 37 provides a breakdown of agency programs and where the revenue is from and from what services.

Emily opened the floor for any questions on the audit. Tim Littrell asked Emily to redefine which programs were tested. Emily re-stated that Head Start, USDA, Weatherization and LIHEAP were tested and further stated that they look at the amount of expenditures from federal funds and flow chart that reflects when programs have been audited and what meets the threshold of being audited. Emily encouraged everyone to review the audit again and email her with any questions. David Mathews stated that it is always good to have a clean audit and thanked the auditing firm for a job well done. He stated that this is a testimony to the good work of the staff.

There being no further questions David Mathews asked for a motion to accept the audit as presented. Tim Littrell motioned. Pat Gilbert seconded. Motion approved.

One-Time Funding – Health and Safety

Kim Dodd, Director of Children's Services stated that a request for one time funding for approximately \$200,000 was being requested. The request is mostly for playground equipment which can cost approximately \$35,000 per playground. Kim stated that we have 7-8 playgrounds on the list that need to be replaced. There being no further questions David Mathews asked for a motion to approve One-Time Funding – Health and Safety request. Leigh Frances motioned. Pat Gilbert seconded. Motion approved.

2.6% COLA Increase

A copy of the U.S. Department of Health and Human Services Log No. ACF-PI-HS-1803 was sent electronically to all members and advisors prior to the meeting. Kim Dodd, Director of Children's Services stated that she had received notification that all Head Start staff will receive a 2.6% COLA effective July 1st. The floor was opened for questions. There being no further questions David Mathews asked for a motion to approve the 2.6% COLA Increase. Tim Thrasher motioned. Dawn Owens seconded. Motion approved.

One Month Extension for 12 County Grant

Kim Dodd, Director of Children's Services stated that the 12 County Head Start Grant ends June 30th so in order to keep the grant operational we have been given a month extension to operate the program. The floor was opened for questions. There being no further questions David Mathews asked for a motion to approve the operating expenses for a one month extension for the 12 County Grant. Benita Owens motioned. Debra Gardner seconded. Motion approved.

Kim shared that on the 12 County preliminary award notification that she wanted to thank the Board of Directors and Advisors along with her colleagues for their support. She stated this has been an anxious time and that we are a good program and we pride ourselves on a quality program. Kim complimented the Children's Services staff and appreciates the encouragement and support.

CEO Executive Search/Selection Committee Update

Alicia Higginbotham, Human Resources Director informed the Board that 10 telephone interviews have been conducted. Due to some conflicts of the committee members the interviews were recorded so those individuals that had to leave the meeting early could listen to at a later time. This committee, which includes, David Mathews, Bruce Jones, Paul Lott, Barbara Sittason, Allison Speegle, Kim Dodd, Lorrie Mauro, Nathan Curry, and Michael Tubbs along with her will meet immediately following this board meeting. Horizon Point Consulting is the third party consultant involved in this process. The next steps will be to bring in the selected candidates for an on-site interview. Alicia stated that we are still narrowing the scope of the interview process but that it will be several phases which will help us get the right candidate. She stated this is key job and requires a lot of dedication from us to make sure we are asking the right questions and doing what is right. Interviews will be held in July and we will have a special called board meeting for a vote. We will provide notice and ask that you be in attendance. Alicia opened the floor for any questions. There being no further questions David Mathews stated the committee is going through a thorough process to ensure we get the right person as the next CEO. No approval required.

Customer Satisfaction Survey

A copy of the Customer Satisfaction Survey Results April 21-June 21, 2108 were sent electronically to all members and advisors prior to the meeting. Laurie Lincoln Swaim, Compliance, Planning & Results Director stated that results continue to be positive. Cindy Anderson receives the results and then meets with her staff to go over the results. Candy Ayers, Housing Counselor also reviews this information. Laurie stated that we are always looking for ways to improve services. She referenced one comment where someone had difficulty with the computer in the waiting room in Decatur and as a result Nathan Curry, IT Director checked the computer to ensure it was operating properly. The floor was opened for questions. There being no further questions David Mathews thanked Laurie for her report. No approval required.

Community Needs Resource Assessment Update

Laurie Lincoln-Swaim, Compliance, Planning & Results Director stated that this has been a yearlong process and the draft is almost ready to look at. She stated that it will be made available to the board and advisors either later today or tomorrow. Laurie asked for those that would like a hard copy of the assessment to please let her know and she will leave copies with Allison. She asked that when they receive the assessment to look at both the quantitative and qualitative results. She stated there is a lot to digest and pull together. Laurie stated that the committee will be coming back to the board for recommendations based on quantitative and qualitative data. She asked that everyone look at the assessment through the lens of what would help deliver services and resources related to community, family and agency results. We are the first agency in the nation to have 3 staff to be ROMA implementers which will help us tell our story better. The committee will come back together during the first week in August and we will have aggregated this information and the focus group will help us shift through how we shape up the recommendations. Laurie stressed that this needs to be a decision from the board and leaders. At the August board meeting the final report with recommendations along with a PowerPoint presentation with audio will be presented. After that the Leadership Team will have a Strategic Planning meeting in September. Laurie asked anyone that is interested in being a part of the Strategic Planning process to contact Allison. The floor was opened for questions. There being no further questions David Mathews thanked Laurie for her presentation. No approval required.

Executive Directors Report

A copy of the Executive Directors report was sent electronically to all members and advisors prior to the meeting. Michael Tubbs stated that 16 of 18 board members are present and 9 of 12 advisors are present and that it is remarkable and thanked everyone for their attendance.

He noted the following highlights of report:

He along with Bruce Jones, Tim Thrasher, Jonathan Watson, Alicia Higginbotham and Allison Speegle attended the CAPLAW Legal Conference. One of the sessions was on Executive Transition which was well attended. Mike thanked the board members for taking the time to attend and said it was a good investment and helps them grow as a board member and strengthen their role. He stated there are 2-3 conferences a year that we usually attend and asked anyone with interest to please let Allison know.

NeighborWorks requires the audit by June 30th so that is the reason for the urgency to have it completed and accepted at this board meeting.

NeighborWorks Week was the first week in June. This was a very high exposure event for us in East Decatur. Candy Ayers led this effort and many people were involved. Work was completed on 18 homes.

AHFA application was submitted and awarded for Cullman, Alabama to build a 56 unit apartment complex called The Village at Bridge Creek. Mike stated that we compete with for-profit developers and was so pleased that we received this award. He shared that we have also submitted an application for a project in South Carolina.

Seville Subdivision in Decatur has 3 homes built, two have sold and the third home is scheduled to close next week. Two more homes are in the process of being built and should be completed within the next 60 days.

CDBG program will close out soon. There are eight more cases in progress.

LIHEAP staff are seeing clients daily and some have breathing issues which we have worked in. Have some high risk individuals but we are dealing with a lot of individuals currently and the high temperatures.

Mike reinforced that the CEO Executive Search/Selection committee is doing a good job and stated this is a major transition. He shared that when he saw the qualifications of the candidates that he would not have qualified because of the agency profile and expectations of the board and staff, the bar was raised. Alicia Higginbotham is leading this effort and others are taking it very seriously and have confidence they can chose someone that can take the agency to the next level. He said this is a great time for the agency and we will work our way through it. The new CEO will probably be at the next board meeting. He closed by saying this is a positive time and the agency will be fine and healthy.

Other Business

David Mathews opened the floor for additional business. There being no further business the meeting adjourned at 9:38 a.m. Minutes submitted by Allison Speegle, Recording Secretary to the Board of Directors.

David Mathews, Chair

Bruce Jones, Secretary

Reviewed by Michael Tubbs, CEO