

Community Action Partnership of North Alabama, Inc.
Board of Directors Meeting
June 25, 2020

Benita Owens called the meeting to order at 8:35 a.m. Joe Holmes opened the meeting with the invocation. Benita Owens recited the mission statement.

Tim Thrasher introduced Colette Pozzo our NeighborWorks Relationship Manager who was attending today's meeting electronically and shared that NW provide great assistance to the agency and are a great partner. Colette Pozzo shared that she appreciated the opportunity to connect to today's meeting and if anyone has any questions about NW to please reach out to her. She did share that NW team is wonderful and are working hard.

Board Members Present: Sherry Pentecost, Benita Owens, Joe Holmes, Brent Breedlove, Dusty Baker, Joey Martin

Board Members Electronically: Mayra Del Valle, Jami Jones, David Ware, Teresa Presto, Jennifer Taylor, Heather Smith, Charles Owens, Sandy Adams, Tommy Praytor

Advisors Electronically: Stephanie Pitts, Marcie Hill, Paul Lott, Bruce Gordon, Pat Gilbert, Cissy Pearson, Trae Norrell, Keunna Swopes, David Mathews, Lori Eastman

Advisors Absent: Dawn Owens, Pat Busing, Dana Pigg, Sheryl Marsh

Legal Counsel to the Board: Jonathan Watson

Staff Present: Tim Thrasher, Allison Speegle, Jordan Searcy, Laurie Lincoln-Swaim, Aron Boldog, Holly Hicks, Chantel Collier, Nathan Curry

Introduction of New Community Member Jami Jones, Morgan County

Tim Thrasher stated that a Community Election was held on June 16, 2020 at Delano Park and Jami Jones was elected of the community to serve on the Board of Directors representing the Morgan County Community Sector. Jami serves on the Decatur Police Force and is very active in the community. In accordance with the By Laws, once an individual is elected of the community that vacancy is filled and does not require board approval. Jami Jones is replacing Pat Busing who resigned as a Board Member.

Roll Call to Establish Quorum

Allison Speegle conducted roll call and a quorum was established.

Approve Lori Eastman, Cullman County Private Sector Representative

Tim Thrasher stated that Dawn Owens recently completed her five year term of service. Lori Eastman who works at 3M and lives in Cullman County expressed an interest in serving on the board. Tim shared that he has known Lori for approximately 12 years and recommends her to the board. Benita Owens asked for a motion to approve Lori Eastman, Cullman County Private Sector Representative replacing Dawn Owens. Brent Breedlove motioned. Sherry Pentecost seconded. There being no further questions motion approved with roll call vote.

Approve February 27, 2020 Minutes

The minutes were sent electronically to all members and advisors prior to the meeting. Benita Owens opened the floor for any questions and/or corrections. There being none Benita asked for a motion to approve the February 27, 2020 minutes as received. Joey Martin motioned. Dusty Baker seconded. There being no further questions motion approved with roll call vote.

Resolution – Ratification and Adoption of Prior Actions Taken during Tele and Video Conference Meetings – SARS-COV2 Virus Pandemic

A copy of the resolution was sent electronically to all members and advisors prior to the meeting. Tim Thrasher stated that one of the things that has happened is the special/electronic meetings that have been essential to the operations of the agency and as a result we have consulted with Jonathan Watson, funders and ADECA and have made the decision to have one resolution that will ratify the actions that have been approved during the electronic board meetings including the minutes of each meeting. Jonathan Watson, Legal Counsel to the Board stated that we are on uncertain grounds due to state of emergency and how we had to proceed to do the things necessary with the board's approval and the By Laws were not drafted to accommodate this type of situation and doesn't think anyone could foresee what happened. Jonathan stated that the board voted on things that had to be voted on and as a result his solution was to draft a resolution that incorporated all the decisions that were made and bring that to this meeting. The resolution accounts for everything the Board has done solely by electronic participation and explained that when the board approves the resolution that you are approving everything in it. Jonathan also stated that if any member voted "no" previously on an issue then that individual will need to vote "no" today. He re-affirmed that this is a procedural measure to make sure we are on solid ground.

Benita Owens asked if anything new comes up would this resolution have to be amended to which Jonathan responded that if a third party states this resolution is not sufficient then we might have to do a specific vote to legitimize that vote. The By Laws on the books now require 6 board members to be present in person at any meetings

with 10 board members requiring a quorum and that we are seeking to amend the By Laws going forward in a State of Emergency or based on good cause that everyone can attend electronically. Jonathan stated that he is not sure the State of Emergency exists as it was previously but if it happens again the entire meeting can be electronically. The floor was opened for any additional questions. Benita Owens asked for a motion to approve the Resolution – Ratification and Adoption of Prior Action Taken during Tele and Video Conference meetings. Brent Breedlove motioned. Joey Martin seconded. There being no further questions motion approved with roll call vote.

Approve By-Law Revisions

A copy of the proposed By-Law revisions and waiver were sent electronically to all members and advisors prior to the meeting. Tim Thrasher stated due to extenuating circumstances our preference is to have an “in-person” meeting but this has not been possible. Tim highlighted the changes and stated that there were some grammatical type things that were corrected, we eliminated the number of advisors, increased the board vacancy to 120 days, meetings would take place at Central Office unless otherwise designated. Tim stated the majority of the changes were in Section 7.

Jonathan Watson stated on the By-Law amendments that Roberts Rules of Order require some type of notice to be provided but does not dictate the notices be provided in any specific matter. Jonathan referred to page 13 where it states the By-Laws may be amended and new By-Laws adopted by a two-thirds vote of the Board of Directors present and voting at any regular or special meeting of the Board of Directors provided at least a 10 day written notice is given. Jonathan recommended that this be changed to at least a minimum of a 2 day notice given to each member of the board.

Jonathan Watson explained the waiver was for the purpose of today’s meeting since the 10 day written notice was not given which is legal to do and that the Board was within the guidelines of the current By-Laws with 12 members present with 6 being in person. The By-Laws require a 10 day written notice so we would need the waiver signed or that we can proceed without that. Discussion followed. Joe Holmes and Joey Martin recommended tabling this item until the next scheduled board meeting or special called meeting. Benita Owens asked for a motion to table the By-Law revisions until the next scheduled board meeting or special called meeting. Joe Holmes motioned. Joey Martin seconded. There being no further discussion the motion was approved with roll call vote.

Approve General Fund Budget

A copy of the resolution and budget were sent electronically to all members and advisors prior to the meeting. Fred Harvey stated that he was filling in for Lorrie Mauro who was unable to attend today’s meeting. Fred Harvey shared, for those that were new to the board, that he is the former CFO and has been with the agency for over 30 years is currently working part-time. A review of the resolution and budget were provided and explained that this is a requirement for all Community Action agencies.

The allocation breakdown was reviewed and explained that the agency receives a payment on a quarterly basis. In the past the funds have been used to support the Housing Counseling program. The agency's projected total is \$14,332.00. The floor was opened for questions. Benita Owens asked for a motion to approve the General Fund Budget as presented. Joe Holmes motioned. Sherry Pentecost seconded. There being no further questions motion was approved with roll call vote.

Executive Director's Report

A copy of the Executive Director's Report was sent electronically to all members and advisors prior to the meeting. Tim Thrasher gave a brief review of the report and asked that everyone please read the report in its entirety. Tim stated things have been challenging during the recent times and that the majority of staff are working from home while some staff are staggering days at the Central Office. The following highlights were noted:

- The letter that each member and advisors received from ADECA regarding LIHEAP services was responded to by the due date and a copy forwarded to each of you. This department has implemented new processes and as a result 50-88 applications are being processed on a daily basis with no staff additions. Tim shared that he is very proud of Cindy Anderson and her team. Joe Holmes stated that Decatur Utilities appreciates the way the agency has stepped up and processed applications for payment. Benita Owens stated that this is true for Joe Wheeler also. Tim stated that we knew we would be behind due to the closures but that staff were working and close to being at the point of drawing down additional funds.
- Tim shared that with the recent protests that as an agency we have been looking at equality because that is what Community Action agencies stand for. On July 16th Tim stated that he will bring together leaders of Alabama, 10-15 individuals in various positions with Larry Little as the moderator. Tim shared that this idea came from listening to a podcast with former board member Bruce Jones and Larry Little. The purpose of the meeting will be to have a discussion around system changes. There will be a set of questions and guidelines.
- The Senior Programs have received an extension to pay the volunteers a stipend through August 15th.
- Children's Services will be back in operation mid-July. Center Directors have participated in training the past 3 days.
- Meals on Wheels continues to have a one-day a week delivery of non-perishable items.
- Housing Business Unit has continued to operate during the pandemic. Projects are on schedule. Rock Springs is 100% complete and leased.
- Weatherization Program is still operating. In the process of closing out grant and anticipate receiving the new LIWAP and DOE grants anytime.
- Considering a partnership with Calhoun College and Walker County Head Start to meet the needs for high quality childcare services.

- Grant has been written for Calhoun for the Vivian C. Turner Childcare Center. We are looking at providing evening classes for individuals to obtain a medical assistance license and we would provide the childcare.
- Contacted by the Community Action Association about the possibility of merging with the Marion-Winston County Community Action Agency. Our agency already provides Head Start and Weatherization services in these two counties. The agency currently has approximately \$22,000 of un-allowed cost due to ADECA.
- All 10 homes in Seville are under contract. Plans are underway to start an additional 3 homes. Candy Ayers has done an outstanding job getting homebuyers approved.
- Grant has been submitted to Wells Fargo and NeighborWorks for rental assistance funds.
- Construction on Glory Way in Florence is expected to start next month.
- Human Resources Department has been conducting interviews virtually.

Tim asked everyone to please review the report and if there are any questions to please contact him.

Financial Report – May

A copy of the financial reports were sent electronically to all members and advisors prior to the meeting. Fred Harvey presented an overview of the financials for Lorrie Mauro who was not available to be at today's meeting.

Fred stated that the annual audit is in progress. NeighborWorks requires the audit be submitted by June 30th however they have granted an extension due to the pandemic. All of the work by the auditors is being conducted electronically this year and should be completed and presented at the August board meeting. There have been no issues reported at this time.

Financial Information Dashboard – The ratios were reviewed. There is currently over one million dollars of unrestricted cash. The current ratio is 3.51 as compared to 2.00 prior year. Southern Community Builders makes up the majority of the agency assets due to the apartment complexes. Fred stated that everything is in good shape. The second page of the report compares the current year to the past five years.

Joe Holmes asked about the increase in expenses to which Fred responded with the increase in funding for COVID and LIHEAP plus there were a couple of large expenditures during the month (purchase of the central office building and renovations at Tanner Head Start) which also impacted this.

Balance Sheet – Consolidating Financial Position – The first column is the parent company, the second column is the consolidation of apartment complexes that Community Action is the managing general partner. The third column is the total of columns one and two. Property Holdings hold the buildings that the agency owns.

Southern Community Builders currently has \$175,778 in the bank as a result of the cash flow from the apartment complexes.

Statement of Revenues and Expenditures – Summary/Detail – The first page of this report includes all the revenues and expenditures in a summarized document. The total budget is \$43 million and is currently at 39% of the revenue and expenses which is just under the amount of revenue and expenses for the prior year. Pages 10-12 reflects all the line items and funding sources of the agency's fiscal time frame of January through May. It was noted that the NeighborWorks Grant listed on page 10 reflects 554.10% of budget used and this is due to the fact that we receive funds in one lump sum plus we have also received additional funds. All were reminded that some of the grants overlap which can result in higher percentages.

Statement of Revenues – Public/Non-Public – This report reflects how much the agency depends on public support funds. In-kind is donated space and volunteers. It was discussed at the last board meeting about applying for a waiver due to the pandemic and classrooms being forced to close early which impacted in-kind and this is an issue nationwide.

Statement of Activities – Expenditures – Combining Schedule of Activities w/Budget – This report takes each individual grant/fund, actual expenditures and budget for the same time frame. This budget is not for a 12 month period. Fred stated the quickest way to see how each grant stands is to look at the ending net assets for each grant.

Statement of Revenues and Expenditures – Head Start 12 County – This grant started March 1st. Should be at 24% of the program year. The percentage of budget used column provides a snapshot of where we are on items. Fred stated this particular budget was prepared approximately six months ago and that a lot of supplies had to be purchased due to COVID which were not included in the original budget however adjustments can be made as needed. Total expenditures are at 18.40%.

Statement of Revenues and Expenditures – Early Head Start – Madison/Limestone – This grant started March 1st. Should be at 24% of the program year and is currently at 12.53% expenditures.

Statement of Revenues and Expenditures Head Start Madison/Limestone – This grant started March 1st. Fred stated this is the first year that all the Head Start grants are on the same time frame. Should be at 24% of the program year and is currently at 17.80% expenditures.

Statement of Revenues and Expenditures Head Start Lauderdale County – This report includes Head Start and Early Head Start together. This grant started March 1st. It was noted that the heading of this report stated 3/1/2019 but this grant only started expenditures in 3/2020. Fred stated there is a segment in the software that if we take out the filter it would pick up expenditures back to 2019. It was noted under "Dues

and Subscription” that there is annual expenditure that is paid each year for curriculum in the Head Start Classrooms and this was coded to subscriptions and should be under “Contract Services”. This correction will be made.

Statement of Revenues and Expenditures – Pre-K – Should be at 66% of the program year and is currently at 66.41% expenditures.

Statement of Revenues and Expenditures – First Teacher Home Visiting Grant – Should be at 66% of the program year and is currently at 58.86% expenditures.

Statement of Revenues and Expenditures DHR Expansion Grant – This grant works similar to the First Teacher Grant. Should be at 83% of the program year and is currently at 76.72% expenditures.

Statement of Revenues and Expenditures DHR Expansion Program – Should be at 83% of the program year and is currently at 76.72% expenditures.

Statement of Revenues and Expenditures Medicaid Matching Funds Expansion Program Should be at 84% of the program year and is currently at 78.20% expenditures.

Statement of Revenues and Expenditures DHR CCP Grant – This particular grant is where we partner with existing daycares to provide services. Should be 92% of the program year and is currently at 87.15% expenditures.

Statement of Revenues and Expenditures USDA – This particular grant is where we receive food for all of the Head Start classrooms. Should be at 66% of the program year and is currently at 58.12% expenditures.

Expenditure Journal Credit Card Expenditures – It is a Federal regulation of Head Start that we present any expenses that are paid for with the credit card. Fred explained that the agency only has one credit card which is the American Express and it controlled by the CFO and Finance Department. The American Express is used primarily for training and/or one time purchases for which we do not have a vendor set up. This report reflects several credits which is due to cancellation of trainings due to COVID. The agency has approximately 100 Wal-Mart cards that are issued to the different locations. Purchase orders must be received and approved before purchases can be made. We have about 100 cards that are issued to various locations. Purchase orders must be received prior to use. Wex Bank is fuel purchases for the agency vehicles.

Posted General Ledger Transactions – The first report is sorted by dollar amounts. The second report reflects any vendor that received more than one payment during the month.

Fred stated that the leasing of vehicles was discussed at the last board meeting and he wanted to provide an update. The agency leases vehicles and also copiers. Some of the vehicles are program such as Head Start. Fred stated there are also a fleet of vehicles that are paid for by agency non-federal dollars and then we collect from the grants based on usage. These vehicles are not being utilized during this COVID time so we are paying for them from non-restricted funds since we are not able to charge them to the grants and the same applies to the copiers. Fred stated that we are monitoring this and this was an unforeseen situation. Joe Holmes asked if any of the impact funds could be used for this to which Fred responded that we do not want to charge lease expenses to a grant unless it is specifically for that grant.

Fred shared that he is enjoying his retirement while still working a couple of days a week at the agency. He has had the privilege of assisting some other organizations and shared that as board members each one should be proud of this organization. This is a strong agency and is highly respected and financially sound.

The floor was opened for any questions on the financials. Benita Owens asked for a motion to approve the financial report as presented. Joey Martin motioned. Joe Holmes seconded. There being no further questions the motion was approved with roll call vote.

Appoint Board Member/Advisor to Serve on Housing Committee Replacing Dana Pigg
Tim Thrasher stated that Dana Pigg served on the Housing Committee but had resigned due to relocating to Tuscaloosa. The Housing Committee meets on a quarterly basis or as needed. Benita Owens opened the floor for nominations. Joey Martin volunteered. There being no further nominations Benita Owens asked for a motion to approve Joey Martin to serve on the Housing Committee replacing Dana Pigg. Joe Holmes motioned. Dusty Baker seconded. There being no further questions motion approved with roll call vote. Joey Martin abstained.

Community Needs & Resource Assessment & Strategic Plan Timeline

A copy of the Community Needs & Resource Assessment and Strategic Plan Timeline were sent electronically to all members and advisors prior to the meeting. Laurie Lincoln-Swaim gave a brief overview of the information. The Community Needs & Resource Assessment will have both community and partner surveys which will be available in English and Spanish. The Board of Directors and Advisors will be asked to complete the partner survey when it is released. The timeline has been adjusted as a result of the pandemic. As a result information will be collected also about the pandemic and the needs that have emerged as a result. The plan is to conduct interviews mid-August through early September. There will also be focus groups formed to conduct sessions across our communities however depending on where we are with the pandemic we may have to look at an alternate way of conducting these sessions.

The Community Needs & Resource Assessment did not include information about the OPOID crisis and data has revealed that Alabama was number one in the nation. Laurie stated that she has done research to ensure the questions are relevant. In 2017 the last CNRA we did not include OPOID crisis and data revealed Alabama was #1 in the nation. These pieces needed to be in there. Have done research to get the questions as tight as they can be. Survey time will go through early August.

The floor was opened for any questions. This was for information purposes only and does not require any approvals.

Other Business

Benita Owens opened the floor for any additional business. There being no further business to come before the board Benita Owens thanked everyone for their participation in today's meeting. Meeting adjourned at 10:59 a.m. Minutes submitted by Allison Speegle, Recording Secretary to the Board of Directors.

Benita Owens, Board Chair

Brent Breedlove, Secretary

Tim Thrasher, CEO