



**MINUTES: BOARD OF DIRECTORS MEETING
 COMMUNITY ACTION PARTNERSHIP OF HENNEPIN COUNTY
 VIA TELECONFERENCE
 THURSDAY, APRIL 23, 2020
 6:30 PM**

Allen Rezac	P	Karin Keitel	P
Alysen Nesse	P	Kevin Myren	P
Angela Wade	E	Mercedes Thomas	E
Angela Williams	E	Michael Vekich	E
Chloe Jackson	E	Sherrie Pugh	P
David Asp	E	Solomon Ogunyemi	P
Eric Totten	E	Tonya West-Hafner	P
Josh Schaffer	E	Tyanna Bryant	P
Justin Gillette	P		

CAP-HC Staff Present: Dr. Clarence Hightower, Feleshia Edwards, Jennifer Horton, Sam Miller, Todd Blooflat, Mitch Radke and Dee Yang

Visitors Present: Karen Gray and Nora Hall (Gray Hall), Marie Primus (Bergan KDV, auditor), Nelson Morocho Cuvi

1. Call to Order:

Acting Chair Kevin Myren called the meeting to order at 6:43.

2. Minutes of March Board Meeting:

Mr. Myren asked if there were any changes to the minutes of the March 26, 2020 Board meeting. There were none, so the minutes stand as presented.

3. Audit Results Presentation:

Mr. Myren started by expressing his excitement for the organization having a first clean audit in several years, that this is a milestone for the organization to be back on road to full accountability and credibility. Then Mr. Myren turned it over to Marie Primus from Bergan KDV to present the audit results.

Ms. Primus introduced herself and her firm to the Board and explained that this is their second audit with CAP-HC. She stated that this year’s audit is much better than last year. Ms. Primus provided some background information on the importance of audits for non-profit organizations. Auditors come in with independent eyes and look through source documents, to be sure things are reported correctly for the year, and then they place an opinion on the audit. The opinion will state whether or not the financials are materially correct, following generally accepted accounting principles. The audit will note if the organization has material weaknesses or significant deficiencies. This year’s audit found no material weaknesses or significant deficiencies and the agency received a clean, unmodified opinion, the best result the agency could receive. Ms. Primus added that CAP-HC has met the standards of a well-run organization because mission expenses were between a 70-90% requirements. She noted that the auditing firm did make some “best practices” recommendations including: formalize a liquidity plan; write checks in sequence; continue plans for diversifying funding; and continue efforts to strengthen Board structure and governance. She also noted that

CAP-HC's reserves are at the low end of the recommendation of 3-6 months. She thanked the organization, specifically Todd Blooflat and other staff who were very much involved in the audit.

Mr. Myren then asked for questions, there were none. He noted that the Board did not need a motion or second to accept the audit. Mr. Myren called for the yeas and nays. All in favor. AUDIT was accepted.

4. Strategic Plan:

Dr. Radtke shared how the strategic plan workgroup has met several times to talk over goals and objectives. He then turned things over to Dr. Karen Gray and Dr. Nora Hall to elaborate on the progress to date. Dr. Gray briefly talked about the Mission, Vision, and Values. Dr. Hall then talked about the five goals: Stable and Responsive Programming, Community Engagement and Advocacy, Community Crisis Management, Organizational Excellence, Strategic and Data Driven Decision Making. Dr. Hall also went over objectives for each goal and she noted that the workgroup added the Community Crisis Management goal to address the COVID-19 pandemic and other emerging needs.

Mr. Myren asked for questions, there were none, which indicates alignment on the part of the Board. At the next Board meeting, there will be a vote to approve the Strategic Plan.

5. Families First Coronavirus Response Act Policy:

Justin Gillette spoke on behalf of Josh Schaffer, chair of the Human Resources Committee. In response to the COVID-19 pandemic, the organization has put together a policy to address the new federal law, Families First Coronavirus Response Act, which requires CAP-HC to provide employees with paid sick leave or expanded family and medical leave for specified reasons related to COVID-19. After the Human Resources Committee reviewed it, it was brought up with the Managing Committee which recommended passing it along to the Board to be adopted. Mr. Gillette moved to approve the Family First Coronavirus Response Act Policy, as presented, seconded by Tyanna Bryant. MOTION adopted.

6. QIP Update:

Karin Keitel presented the fourth quarterly report under the QIP due on April 30, 2020. She shared a short form dashboard of the tasks completed, pending and to be completed. The only items that are pending are those currently being worked on, and will soon be completed (i.e., Strategic Plan). This draft QIP report was presented at the April Managing Committee meeting where Francie Mathes from OEO was present. Ms. Mathes shared that overall the DHS OEO is very pleased with the agency's progress. She told the Managing Committee that CAP-HC will no longer be required to report under the QIP, but the agency will still be monitored to be sure we're in good standing and continue with the actions we've implemented. The Managing Committee approved the draft report and recommended that the Board do as well.

Ms. Nesse and Mr. Myren congratulated the staff, and thanked Ms. Keitel for shepherding the QIP reports. Mr. Myren made a motion to approve the fourth quarterly QIP report as presented, seconded by Ms. Nesse. MOTION adopted.

7. Financials:

a. February Financials: Mr. Blooflat reviewed the February financial statement. CAP-HC finished February with a deficit of \$1,200, which was anticipated. He stated that Bremer Bank has been working with us on the line of credit. We still have large amounts of grants money, with more CSBG money on its way. We are required to comply with the Families First Response Act, which allows staff to receive extra 10 days of sick time, provided their situation is COVID-19 related. Mr. Myren opened for questions. Ms. Bryant asked about the impact of the COVID-19 pandemic, to which Mr. Blooflat responded that the Families First Act applies to employees only. The agency anticipates using the additional CSBG issues to target impacts of COVID-19 in our community.

Ms. Nesse also asked about The Families First Act, making sure that non-profits are not excluded from the tax credit. Mr. Blooflat confirmed.

Mr. Rezac then asked if the line of credit was currently good through the end of the year, which Mr. Blooflat responded that the line of credit is still in negotiation.

The February financial statement was forwarded to the Board with approval of the Finance and Audit Committee and the Managing Committee, subject to audit, and did not need a separate motion. Mr. Myren asked for the yeas and nays. All in favor. REPORT approved, subject to audit.

b. Cash Flow: Mr. Blooflat then reviewed March's cash flow report. The agency ended the month with an increase in cash balance, at \$345,000. Mr. Blooflat predicted that it may rise in April, May and June because some expenses are decreasing because of the pandemic shutdown.

8. Managing Committee Update:

Mr. Myren spoke on behalf of Mike Vekich and noted that everything the Managing Committee discussed was on the Board's agenda. He noted that Ms. Mathes was present at the Managing Committee meeting and was able to hear the audit report firsthand and see the final draft QIP report; she stated that they were happy with how things were going. A discussion of when the Managing Committee would end, a complete answer was not in place yet. For the time being, the Managing Committee will continue to meet until further notice from the state.

9. Finance and Audit Committee Update:

Mr. Myren mentioned that the Finance and Audit Committee reviewed the audit, the February financial statement and the March cash flows. Nothing further to report from the Finance and Audit Committee.

10. Human Resources Committee Update:

Mr. Gillette reported that the Human Resources Committee discussed how CAP-HC is responding to the COVID-19 shutdown, including having employees work from home. He also shared thoughts about the COO job posting that Dr. Hightower will elaborate on. The committee's discussion was quick, no further recommendations.

11. Program Planning and Evaluation Committee Update:

Ms. Nesse shared that a quorum was not present at the last meeting of the Program Planning and Evaluation Committee, therefore no actions could be taken. Ms. Edwards' EAP Orientation will be

pushed to another date. New client services director, Jennifer Horton joined the committee meeting for the first time. Dr. Radtke presented the program data report, and further discussion about staffing needs ensued. Ms. Bryant shared that she wished to have stuck with her original term “attack” for the strategic plan, as that’s what things seem like under these circumstances surrounding COVID-19. Ms. Nesse shared that the committee is still figuring out structure and that everyone is learning in the process.

12. Executive Director Update:

Dr. Hightower started his update by thanking all staff who contributed to the great result on the audit. He also saluted the great progression towards completing the QIP. He also welcomed Jennifer Horton to the team and looked forward to her contributions to Client Services.

Dr. Hightower then talked about the \$1 billion CSBG increase for CAP agencies across the country. CAP-HC expects to receive an additional \$2.3 million for services in Hennepin County, which would be coming soon and need to be spent by September 2022. To make sure that the dollars are handled respectfully, Dr. Hightower has recommended and the Managing Committee has agreed to hire a Chief Operating Officer with knowledge and skills of handling such specific funds. HR Director Sam Miller posted the opening last week and has already received over 30 applicants. The COO would help shepherd the release of the \$2.3 million for services to Hennepin County and will strategically align the use of funds with three objectives: maximum impact on clients served, adhere to accountability and tracking of expectations, and to improve the brand of CAP-HC and the community. This person would impact the organization and its culture immediately and would help develop efforts that would diversify the funding that comes into CAP-HC.

Mr. Myren asked for questions. Sherrie Pugh asked whether the funds will be used to provide services directly to clients or through other organizations as subcontractors. Dr. Hightower responded that the agency plans to provide direct services, but may also work with other organizations if appropriate. He expects the new COO to look at this issue as one of his or her first tasks. Ms. Pugh shared that she agrees with having a COO to help distribute the funds appropriately.

Ms. Bryant shared that she was on a ZOOM meeting with her community in North Minneapolis, a concern that was brought up is how many weren’t receiving the help they need. Dr. Hightower shared that he also hopes the funds will be directly used to serve the community through current programming and the change of Client Services.

Tonya West-Hafner questioned about whether the new funds would be available to serve specific needs, what partnership would be built, is there administration being paid for the new staff? Dr. Hightower responded that the funds are very flexible, and are intended for serving the community in various ways. In terms of partnership, Dr. Hightower stated that he felt it’s too early to determine. Administration and client services are also included, can certainly be used in those areas.

Ms. West-Hafner suggested that Salvation Army in Brooklyn Park has been doing a great job with housing needs currently. Should a partnership be needed, she recommended considering that organization.

Ms. Nesse added that the city of Minneapolis received \$6 million in federal grants but that despite the seeming abundance of funds, it will barely be enough to help the needs caused by COVID-19. Housing applications opened up, and 3,000 were submitted in one day.

13. Program Data Report:

Dr. Mitch Radtke reported on program data for all programs. He also elaborated on Client Services and new staff onboarding, as well as calendar goals. Ms. Horton shared about her background and her excitement for client services. Mr. Rezac asked if data could be more detailed, just so a clear comparison is easily seen, which Dr. Radtke agreed he would do moving forward. Both Mr. Myren and Ms. Keitel thanked Dr. Radtke for his report, as well as Ms. Horton for joining CAP-HC.

14. New Business:

Mr. Myren asked whether there was any new business, there was none. Mr. Myren shared his thoughts on CAP-HC “turning the corner,” and that the future looks positive for CAP-HC. He thanked Dr. Hightower, the Board and the staff for filling in the gaps and making sure things are in order.

15. Mr. Myren adjourned the meeting at 8:11 PM.

NEXT REGULAR BOARD OF DIRECTORS MEETING:

Thursday, May 28, 2020

At 6:30 PM