



BOARD OF DIRECTORS MEETING

Thursday, May 25, 2023, 6:30 – 8:00 pm

Zoom: [Login](#)

Dial-In: +1 312-626-6799, Meeting ID: 821 3771 4064, Passcode: 455469

Minutes

Aisha Chughtai	E	Kevin Myren	P
Allen Rezac	P	LaTrisha Vetaw	E
Antanisha Spears	P	Miles Wilson	P
Detra Miller	E	Naweed Ahmadzai	E
Dominique Pierre-Toussaint	P	Samsam Mohamed	P
Falilatou Iniwe	E	Solomon Ogunyemi	P
Jeff Washburne	E	Tyanna Bryant	P
Jim Lehman	E	Victoria Chambers	P
Josh Schaffer	P	Vacant	
Justin Gillette	P	Vacant	
Kevin Anderson	P		

CAP-HC Staff Present: Dr. Clarence Hightower, Gayle Peters, Katherine Castille, Kendra Krolik, Michael Yarbrough, Shanelle Hall, Todd Blooflat, Theresa Lumpkins

Guests Present: Marcel Urman (DHS-OEO)

1. Call to Order:

Chair Schaffer called the meeting to order at 6:32 pm. Ms. Lumpkins called the roll. A quorum was present.

2. **Approval of May 25, 2023, Board Meeting Agenda:**

Chair Schaffer asked if there were any changes to the agenda of the May 25, 2023, Board meeting. Mr. Rezac made a motion to approve, seconded by Mr. Pierre-Toussaint. MOTION adopted and the agenda was unanimously approved.

3. **Approval of April 27, 2023, Board Meeting Minutes:**

Chair Schaffer asked if there were any changes to the minutes of the April 27, 2023, Board meeting. There were none. Mr. Rezac made a motion to approve, seconded by Mr. Pierre-Toussaint. MOTION adopted and the agenda was unanimously approved.

4. Study Session(s):

- a. Board Member Training -- Mr. Marcel Urman

Mr. Urman provided training on the duties and responsibility for Board Members. He provided a brief historical context of Community Action Partnership (CAP). The

concept of maximum feasible participation was a core element of Community Action. CAP agencies have tripartite Boards that consist of a low-income sector, private sector, and public sector. The Low-income, Community sector provides the Voice; the Public sector provides the Power, and the Private sector provides the Resources. Local Community Action Agencies are constantly changing to provide fast, flexible, local solutions for the increasingly diverse mix of Minnesotans experiencing poverty. The Community Services Block Grant (CSBG) was enacted changing the regulatory and funding basis of Community Action Agencies. In 1993, Congress passed the Government Performance and Results Act (GPRA), mandating all federally funded programs be able to establish performance goals and measure results. This includes the Results Oriented Management and Accountability (ROMA). ROMA is an infrastructure or approach that allows for a continuous process for ensuring quality services to consumers. The service areas of Community Action Agencies cover 96% of the nation's counties. There are over 1,000 CAAs nationwide. The boards' role in Community Action is to assist with the planning, the assessing of the community needs, policy setting, agency and program evaluation, fiscal oversight, to believe in the mission of the agency, and to provide supervision to the executive director. The board is both responsible and liable for the agency. The board and the law require every board member to follow the rule of the reasonably prudent person and the principle of good faith. Directors have a duty to follow the organization's governing documents, to carry out the organization's mission, and to assure that funds are used for lawful purposes. Directors must comply with relevant state and federal laws. The CSBG Organizational Standards are an element of Community Action accountability that enhances Board oversight and management as they carry out their responsibilities. The 58 Standards address three broad categories and are divided into 9 subcategories. Mr. Urman also discussed elements of a high-functioning Board which include items such as having strong Bylaws, strategic & robust recruitment and orientation, and good training.

b. Board Self-Assessment -- Dr. Hightower

Dr. Hightower discussed the results of the board self-assessment that was completed last month. Of the 19 current board members, 12 members completed the assessment. One of the categories that may need further discussion or improvement is around board recruitment. Another area of concern was around the struggle to reach a quorum during board meetings. The last area of concern was around member engagement during board meetings. Overall, the board seems to feel good about its interaction and performance with CAP-HC, however, the three areas previously mentioned may need more thought and discussion. The board chair would like to create more opportunities for any members to receive training related to board service.

c. Bloomington Lease Agreement -- Dr. Hightower

The Bloomington lease agreement was received late this afternoon and sent to the board prior to the board meeting. The attorneys on both sides were still making final changes today. The facility is located at 1101 E 7th Street on the south side of 494 near Portland Avenue in Bloomington. This location will allow residents in Richfield to have access to the facility. Richfield has one of the highest rates of poverty in Hennepin County. The space is slightly under 6,000 square feet. The

estimated move-in date is July 1. The lease is a 65-month lease; however, five months will be free rent. This location would house approximately 25 CAP-HC employees. It is close to a major bus line and the CAP-HC office will be located on the first floor for easy access. All CAP-HC programs will be available at each new location.

5. March 2023 Financial Statements and April 2023 Cash Flow Report:

Committee Chair Myren led the Board through the March 2023 financial statements through March 31, 2023. Actual revenue to date was \$1,587,000 versus a budget of \$1,522,000, which is very close to the budget projection and is only off by about \$65,000. The actual year to date profit is \$10,222, which is slightly ahead of the budgeted amount of \$6,631. The cash and cash equivalents for March went down slightly from the previous month. Staff continue to do a good job of monitoring and operationalizing the tight cash flow for the agency.

The Finance and Audit Committee recommends that the Board accepts the March 2023 financial statements, subject to audit, so no separate motion is required. Motion unanimously adopted. There were no further questions or comments.

6. Grant Application Report:

Ms. Krolik presented. This report shows activity through April 2023. The grant for outreach funding for the Energy Assistance Program was denied. This is not too concerning since there are no issues with outreach for Energy Assistance at this time. Staff are still waiting to hear back from Hennepin County for the Community Development Block Grant (CDBG), as well as the Otto Bremer Trust grant, and from DHS regarding the grant to support the Emergency Rental Assistance and the Rapid Rehousing Program. CAP-HC will be receiving \$3.2 million for the MCAG grant and \$3.5 million for the CSBG grant for a total of \$6.7 million for the 2024-2025 biennium. Last year the total was \$5.4 million across these two grants. This is an increase of \$1.3 million or \$650,000 per year. Most of this increase is attributed to the extra MCAG funding that was just passed by the legislature. An application was also submitted to C.H. Robinson to support the Employment Readiness Program.

7. Finance and Audit Committee Update:

Committee Chair Myren reported that the Finance and Audit Committee met and did have a quorum. The March financials and the April cash flow were reviewed. The committee also had a conversation on the relocation plan and the financial fit for the three rental agreements. The committee also discussed the possibility of CAP-HC being the fiscal agent for a state grant which would provide some additional unrestricted funding for the agency. Dr. Hightower provided an update on this initiative. The board previously voted to allow CAP-HC to serve as the fiscal agent for some of the legislative projects that were being worked on. One of these legislative projects has come to fruition in the amount of \$6 million. These funds would go to the community, but CAP-HC is named in the bill as the fiscal agent. CAP-HC would be able to charge the customary 10% management fee which would mean that CAP-HC would receive \$600,000 in unrestricted funds over two years.

8. Human Resource Committee Update:

Committee Chair Gillette shared that the HR Committee met and did not have a quorum. The committee received an update on recruiting and hiring and there are a few open

positions that are currently in the interview process. An update was also given on the culture initiative. A Wellness Committee has been established and they are currently planning a ribbon cutting ceremony for the new office space in Brooklyn Park, in addition to a summer BBQ. A more detailed update was given on the merit-based pay process.

9. Program Planning & Evaluation (P&E) Committee Update:

Committee Chair Bryant shared that the P&E Committee met and did have a quorum. The committee received an update on the Energy Assistance Program. The last day to submit applications for this season is May 31, 2023. Almost 2,800 more applications were received this season than last season, which is a 10.3% increase. Staff are currently working with households who have been shut off since the cold weather protection period ended on April 30. There are three partner organizations that are assisting with processing EAP applications. The denial rate is currently about 10% for this season so far. The HUD Housing Counselor is no longer with the agency and staff are working to fill this position as soon as possible. Currently four staff members are studying to be HUD certified. The committee also discussed the monthly program data report, the grant application report, and the grant expenditure status report.

10. Monthly Program Data Report:

Ms. Hall presented. This report gives the year-to-date program totals as well as totals for the month of April 2023. For the month of April, 2,170 total households were served. It's about a 50/50 split in serving Minneapolis and Suburban Hennepin. The total number of households served to date is 9,839. The total number of households served at this time last year was 8,120. The percentage of the target goals for 2023 is 50%.

11. Executive Director Update:

a. Relocation Working Group

Ms. Krolik provided an update on the Brooklyn Park location. The construction is now complete. The moving process will take place during the week of June 5 with staff beginning to work on site on June 12. Two options are still being pursued for the Minneapolis location, the Midtown Global Market and the Gordon Center. If neither of these options are available at the time the lease ends at the St. Louis Park location, some of the staff may work remotely. Another option would be for the agency to rent temporary space at the Minneapolis Urban League or at Sabathani.

12. New Business:

a. **Bloomington Lease Agreement** -- Dr. Hightower

The Bloomington Lease Agreement was previously presented as a Study Session. Staff is seeking approval to accept the Bloomington Lease Agreement. Motion made by Mr. Myren, Seconded by Mr. Pierre-Toussaint. Discussion, none. Motion approved.

Mr. Gillette abstained from the vote as he has a conflict of interest.

b. **Remove Inactive Board Member** -- Chair Schaffer

i. **Falilatou Iniwe – Community Sector**

Falilatou Iniwe is being removed from the Board of Directors due to inactivity. Staff is seeking approval to remove Falilatou Iniwe from the Community Sector of the board. Motion made by Mr. Rezac, Seconded by Commissioner Anderson.

Discussion, none. Motion unanimously approved.

c. **Seat New Board Member** -- Chair Schaffer

i. **Kathilyn Solomon – Community Sector**

Staff is seeking approval to seat Kathilyn Solomon to the Community Sector of the Board. Motion made by Mr. Myren, Seconded by Ms. Bryant. Discussion, none. Motion unanimously approved.

13. Announcements/Information:

- a. The Board Roster, Board Calendar, Board Committee Assignments, and the Agency Dashboard were included in the Board packet for review. A link to the Board Portal on the agency website was also included on the agenda.

14. Adjournment:

The meeting was adjourned by Chair Schaffer at 7:56 pm.

Next CAP-HC Board of Directors Meeting:

Thursday, June 22, 2023

6:30 – 8:00 pm